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SEPTEMBER 22, 1930

# Sales Management

The Weekly Magazine for Marketing Executives



Henry J. Gaisman

*Chairman, Board of Directors, AutoStrop Safety Razor Company, Inc.,  
New York*

**AutoStrop Holds Balance of Power  
in \$64,000,000 Gillette Merger**

**Price Policies that Insure Profits**

**BLACK FLAG**

**Kills**

FLIES MOSHS  
MOSQUITOES  
ANTS ROACHES  
BED BUGS FLEAS

LIQUID  
POWDER

KILLS QUICKER  
COSTS LESS

*"We simply can't  
get rid of flies,  
mosquitoes and  
bugs!"*

*"Just try  
BLACK FLAG  
-it never  
fails!"*

## The "CLOSE-UP" plus Conversation in Window Display

Real people "talking"—more than double life size—plus a vividly colorful centerpiece—carry the message of this display to a "selling radius" of more than double the usual distance.

And the larger the "selling radius", the more chances you have to sell—one of the principles tested by Einson-Freeman that we might profitably apply to your next display!

**Specializing in window and store display advertising**

**THE BLACK FLAG COMPANY**

BALTIMORE, U.S.A.  
August 6, 1930.

Einson-Freeman Co., Inc.,  
411 East 72nd St.,  
New York,

Gentlemen:

ATTN: Mr. F. D. Gonda, Vice Pres.

It may interest you to know that both our trade and our sales force consider your adaptation of two "talkie" principles — conversation and the close-up — to our new display one of the most effective things we have yet done.

We may add a further word of praise for the quality and punctuality of your production and your intelligent co-operation with young & Rubicon, our advertising agents, in this matter.

With all good wishes,

Yours very truly,  
THE BLACK FLAG COMPANY.  
W. S. Guleserian  
Vice Pres. & Treasurer.

WGG:FB

**EINSON-FREEMAN CO., INC.**

**LITHOGRAPHERS**

511 EAST 72ND ST., NEW YORK CITY

OFFICES AND COMPLETE  
MANUFACTURING PLANT

New England Office: 302 Park  
Square Building, Boston, Mass.

Inventors and Manufacturers of the Einson-Freeman Patented Double Tier Container  
Licensees for Canada—Somerville Paper Boxes, Ltd., London, Ontario, Canada



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# THE CHICAGO

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# DAILY NEWS

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# IS BREAKING

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# GROUND AGAIN

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On the south side of Chicago The Daily News has started work on a new branch plant, a modern structure representing with land and equipment an investment of more than half a million dollars.

The new plant will house a 15-unit row of the latest high-speed presses, capable of turning out 40,000 eighty-page newspapers an hour and will have its own private switch track for print paper shipment. It will serve the readers of Chicago's great south side with the faster delivery of later editions of The Daily News.

This plant is the third Daily News building project within the last eighteen months, the first being The Daily News building, 25 stories, on Daily News Plaza, the second being the recently completed north side plant.

These activities, undertaken primarily in the service of its readers, are also important because they reflect the considered judgment of The Daily News . . . that Chicago is a good place in which and for which to build . . .

. . . AND THAT NOW IS THE TIME TO BUILD

## A D V E R T I S I N G R E P R E S E N T A T I V E S :

CHICAGO  
Home Office  
Daily News Plaza  
Tel. Dearborn 1111

DETROIT  
Joseph R. Scolaro  
3-241 General Motors  
Bldg.  
Tel. Empire 7810

ATLANTA  
A. D. Grant  
711-712 Glenn Bldg.  
Tel. Walnut 8902

NEW YORK  
John B. Woodward,  
Inc.  
110 E. 42d St.  
Tel. Ashland 2770

SAN FRANCISCO  
C. Geo. Krogness  
303 Crocker 1st Nat'l  
Bank Bldg.  
Tel. Douglas 7892

MEMBER OF THE  
100,000 GROUP OF  
AMERICAN CITIES

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# THE CHICAGO DAILY NEWS

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## CHICAGO'S HOME NEWSPAPER

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## The STATLERS guarantee your satisfaction in everything



From the time you register at a Statler until you check out, your satisfaction is guaranteed — in everything.

You'll feel at home in your up-to-date, attractive room with its private bath, circulating ice water, soft, comfortable bed with an inner-spring hair mattress, bed-head reading lamp, radio reception and full-length mirror. You'll appreciate the morning paper under your door—the excellence of the food—the variety of restaurants.

And, in addition to the certainty of these "everyday" Statler conveniences, you'll find each member of the organization willing to go to any lengths to please you—that your satisfaction may be guaranteed in everything.

*Fixed, unchanging rates are posted in every Statler room.*

# HOTELS STATLER

BOSTON DETROIT  
BUFFALO ST. LOUIS  
CLEVELAND NEW YORK  
[Hotel Pennsylvania]

## Survey of Surveys

BY WALTER MANN

### Copy Effectiveness

A contributor to the St. Mary's, Ontario, *Journal-Argus* combines many modern slogans with a wholly natural craving for personal research:

#### HE'S READ THE ADS

I've kept the school girl complexion,  
I've walked a mile for a smoke,  
I've asked the man who owns one  
And he tells me it keeps him broke.  
I know that a child can play it;  
To guard the danger-line I try;  
I know when it's time to retire,  
And I've heard that they satisfy;  
But there's one thing baffles me,  
Even if for a lifetime I strive,  
I'd like to know just whether or not  
I'm one of the four out of five!

—*Journal-Argus.*

This contributor's plight is even worse than the man who drank quarts of Listerine, only to find that he was unpopular anyhow. Clearly this is a matter of personal research. For if he is one of the four out of five—should he court popularity (or avoid unpopularity) by doing all his blowing into a sturdy saxophone or should he quit blowing entirely and become one of those strong silent men? For if we remember even halfway rightly, even his best friends wouldn't tell him.

About a year ago the gay *New Yorker* broke into verse on the same theme—only more so:

#### HINT TO ADVERTISERS

I do not want a cigarette  
To cure a chronic cough, nor yet  
To chase away a taste for sweets,  
To help me do athletic feats,  
To soothe my nerves, to make me sing,  
Nor win success in anything.  
In point of fact I do not want  
A brand to make me nonchalant,  
Nor even one that's good enough  
To win a game of blindman's buff.  
My hand may shake, my voice may croak,  
I want a cigarette to smoke!

—*Arthur Guiterman in The New Yorker.*  
Wonder, then, if he'd even be interested in one pronounced perfect by discriminating smokers?

Seriously, though, there's just enough raspberry flavor in these two bits of surface cleverness to make real analysts of consumer reaction sit up and take notice. For several satires like these are the little foxes which gnaw the vines of a manufacturer's confidence in the efficacy of advertising. Why wouldn't it be in order for more advertisers, who are just as curious about copy effectiveness as the above-quoted slogan spieler was about his popularity, to do a little advance checking to make sure that their copy wasn't inviting the raspberry from the long-suffering consumer reader?

### Thumbnail Reviews

*The Role of Agricultural Fluctuations in the Business Cycle.* (Michigan Business Studies, Vol. II, No. 9.) Agricultural

changes and business cycles are correlated. Farm prices, volume of production, exports, money and other factors are discussed. Bureau of Business Research, University of Michigan, Ann Arbor, Michigan. (Eighty-nine pages.)\*

*List of Publications of the Department of Commerce.* This pamphlet contains a complete list of publications of the department, available either for free distribution by the department or by purchase from the Superintendent of Documents. The material is arranged under the various bureaus which have prepared it. This 156-page pamphlet is available free by writing to the Government Printing Office, Washington, D. C.

*Problems of Wholesale Paint Distribution.* (Distribution Cost Studies No. 8.) A study of wholesale paint distribution in which an attempt has been made to adapt methods of sales and cost analysis which have proved successful in other lines to the functions of the paint distributor. Available without charge from the Department of Commerce, Bureau of Foreign and Domestic Commerce, Washington, D. C. (Thirty pages.)

*Group Incentives.* A study of incentives as a tool of management. An attempt has been made to ascertain the methods by which group incentives have been adapted to varying conditions, and to appraise these. Wharton School of Finance and Commerce, University of Pennsylvania, 3438 Walnut Street, Philadelphia, Pennsylvania.\*

*Copy Testing.* An interesting forty-six-page booklet discussion on copy testing by (1) Individual judgment, (2) Its results in inquiries or responses, and (3) Its results in actual sales. Available without charge from the H. K. McCann Company, 285 Madison Avenue, New York City, or through this column.

*Store Opening and Closing Hours.* A report made up from data gathered from Chambers of Commerce throughout the country on the policies on opening and closing hours of retail stores, whether by agreement among the local merchants or otherwise. Holidays and Saturday closings are also considered. Copies available free from Domestic Distribution Department, Chamber of Commerce of the United States, Washington, D. C.

*The Commercial Standards Service and Its Value to Business.* A discussion of the background and origin of commercial standards; scope, purpose and application; procedure and service; benefits and savings; and the use of standardization tables by nationally recognized organizations. This thirty-four-page booklet was prepared by the Bureau of Standards, Department of Commerce. Copies are available from the Government Printing Office, Washington, D. C., at ten cents each.

\*Not for general free distribution.



VOL. XXIII. No. 12  
September 20, 1930  
Published Every  
Saturday....

# Sales Management

Publication Office:  
420 Lexington Ave.  
New York. Phone  
Lexington 1760



Richard C. Hay

## In Memory of a Fellow Worker

WE of SALES MANAGEMENT live closer to the human equations than is possible in many lines of business. With us a fellow worker is also a personal friend—and our friendships deepen because of the direct personal contact.

This week Professor Richard C. Hay died as the result of an automobile accident and we have not yet recovered from the shock of this sad news. Our grief is great and our sympathy profound for those still closer to him.

"Dick," as he was better known, originally made his mark in the practical phases of advertising and selling. A physical impairment later necessitated his engaging in professional activities where he soon gained standing and popularity as a writer and author. We were indeed proud the day he decided to write exclusively for SALES MANAGEMENT. His selection later to serve on the faculty of the Harvard School of Business Administration and still later as professor of marketing of the Amos Tuck School of Administration and Finance, Dartmouth College, were recognitions of an ability with which we had already grown familiar. The courage which enabled him to conquer serious physical handicaps we knew assured a steadily greater future. His life, in fact, stands as a monument to the fact that mind can conquer matter.

We shall miss "Dick" but his inspiration will endure. We shall try to console ourselves with the belief that the Maker has called our friend and Associate Editor because He wanted a good man with Him.

—RAY BILL.

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*Cover photograph by Bachrach*

RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; FREDERICK FRANKLIN, Promotion Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager, Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.

## Radio for Results

### Number 12

## WHO?

A tire company asked of dealers selling \$50,000 a year of their products what form of national advertising was most helpful to them; the dealers voted five to one in favor of radio over the next most popular medium.

*The complete story  
may be secured from*

### SCOTT HOWE BOWEN, INC.

*National Representatives of Radio Stations*

Chrysler Building New York City  
Chicago Philadelphia Detroit Boston

## WANTED

### A Sales Executive With Chain Store Experience

A manufacturer of international reputation requires the services of a sales executive who is thoroughly familiar with the drug store trade and who has had at least five years' experience in an important executive capacity with chain drug organizations.

The man we have in mind is not over 35 years old, possesses initiative and energy, and has made a record which he will be proud to submit.

To receive consideration applications must contain full details as to education, experience, qualifications and salary expected. A recent photograph should be enclosed.

*All communications will be treated  
confidentially.*

Address:  
BOX 256

SALES MANAGEMENT  
420 Lexington Avenue  
NEW YORK

## Tips

These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

### Markets and Media

*Market Facts about the Spokane Country.* The 1930-31 edition of "Market Facts about the Spokane Country and the Pacific Northwest," issued by the *Review-Chronicle* general advertising bureau, contains, among other things, a very comprehensive chart presenting pictorially the nine-year growth of Spokane as a city. The sources of income of the Spokane country represent an almost depression-proof wealth, one-tenth of all the nation's wheat, one-fifth of all its apples, one-fourth of its silver, one-eighth of its gold, being contributed by "the fiftieth state." It produces over \$400,000,000 of new wealth annually, with manufactured products valued at \$150,000,000. And when one considers that 522 hustling cities and towns in the territory surrounding Spokane make up one cohesive market, one can see why many national advertisers have included Spokane as a test market in their expansion campaigns.

*Ten Pointers on Buying Advertising Space in Business Publications.* If you have the responsibility of selecting business papers for the advertising of your company or your client, you will find very helpful this list of factors to be considered in weighing the merits of various media. The Ahrens Publishing Company issues this booklet.

*Great Markets of America.* The General Outdoor Advertising Company has gathered and placed between two covers the most inclusive collection of facts about the New York market it has been our pleasure to peruse in many a day. Data and maps are supplied on the New York trading area as a whole, followed by a similar treatment of each individual borough. Among the features discussed are: Extent, population, income tax returns and census of agriculture; summary of manufactures; salary and wage earners; principal occupations; consumption of food, rent, clothing, fuel, heat,

light; retail outlets. As an addendum a schedule of coverage and cost of poster service in this area is included.

*The Land of the D-P. P.* The St. Paul *Dispatch-Pioneer Press* has done an excellent job in presenting this complete yet concise analysis of the states of Minnesota, North and South Dakota, western Wisconsin, northern Iowa and eastern Montana. County and city maps are given, as well as population statistics, indices of buying power, retail outlets, an advertising comparison of Twin City newspapers and circulation coverage of the *Dispatch-Pioneer Press* in St. Paul and the northwest.

*The Atlanta Journal.* A presentation of creed, editorial policies, news services, circulation, lineage, etc., of this newspaper, with maps of Atlanta and of Georgia within motoring distance of Atlanta. Also families, phones, indices of purchasing power, annual volume of business, etc.

### Warehousing and Distribution

*Increasing Your Sales Through the Use of A. W. A. Public Merchandise Warehouses.* Because of the importance of reducing unnecessary branch overhead at this time, this description of the distribution services offered by public merchandise warehouses is exceptionally valuable. These services are divided into three classifications: storage and delivery, transportation and financial, each covering every possible contingency of distribution. Specific problems of distribution and how they are handled by members of this organization are described.

### Signs

*Fadeless Publicity.* This booklet explains why such companies as Western Union, Fairbanks Scales, United Cigars, Socony, Kelly-Springfield, to mention only a few of the many whose familiar signs are illustrated, use Ing-Rich Porcelain Enameled Iron Signs.



# Significant News

• • • Moderate increases in distribution at wholesale and retail are reported by the commercial agencies. Slow revival is regarded as best in the circumstances.

• • • Scrap steel prices continue firm. The Pittsburgh quotation was pushed up another twenty-five cents a ton last week.

• • • Department stores are reported this week to be engaging many new employes for the fall trade and the winter holiday season. Most of the stores heard from indicate a decidedly hopeful state of mind.

• • • Copper prices, good authorities say, are gradually working toward an advance in spite of increased supply of the metal in August.

• • • Gasoline prices were advanced one cent a gallon this week by Standard Oil of California and Richfield Oil of California. The action taken is said by Standard Oil to be essential to maintenance of the preservation program. It is the opposite of the action taken recently by Standard Oil of New York and mid-west companies.

• • • Independent gasoline dealers in San Francisco, however, have voted not to accept the advance; and since the oil companies themselves are said to be not over eager for an increase, success of the higher prices is not assured.

• • • A healthy demand for the new Westinghouse radio set is reported by A. W. Robertson, chairman of the Westinghouse Electric board. He looks for a slow, orderly return to what he calls normal business conditions.

• • • There is no sign of hesitation about the outlook in the news that Sinclair Oil has appropriated more than \$1,000,000 for new advertising campaigns in behalf of its brands of oil, Mobiline and Opaline, the latter to start immediately and the former at the beginning of 1931.

• • • Of similar significance are the plans for new community advertising—those of the Pacific Travel Associations involving nearly half a million dollars to be spent yearly in the next three years to tell about the high spots of the Pacific Coast, and the projected advertising for tourists by the city of Augusta, induced by the success of Atlanta in efforts of the same sort.

• • • The negotiations going forward between Gillette Safety Razor and AutoStrop looking to a merger are indicative of the peculiar conditions which affect great development of new ideas. The resources of Gillette are many times larger than those of AutoStrop and the success of the former is one of the outstanding incidents of recent industrial history. But aggressive work by the smaller concern has apparently given it a very distinct place in the sun.

• • • Automobile industry conditions are considered sound by all of the authorities quoted this week. They agree that production this year up to August 31 was disappointing. But all of them point out that sales are now ahead of output, thereby setting up a position which assures good progress when revival comes.

• • • Tire inventories were lower on July 31 than at any time since November, 1928, according to the Rubber Manufacturers Association. Production in the first seven months this year exceeded shipments by only 0.5 per cent, whereas last year there was an excess of production over shipments amounting to 6 per cent.

• • • Enforcement of the Mississippi sales tax has been enjoined by a bench of three Federal judges sitting in Gulfport. The order was obtained by J. C. Penney on the ground of unconstitutional discrimination. The state attorney-general has given notice of an appeal.

• • • The British Columbia salmon pack this year up to August 15 amounted to 1,197,457 cases, nearly twice as many as last year, and the largest pack on record. The packers are talking of extensive advertising plans to help in distributing the surplus.

• • • Cooperation of all factors in the industry was the keynote of the inauguration meeting of the Full-Fashioned Hosiery Exchange. Five classes of membership are contemplated to include every interest from manufacturer to retailer and to be based on annual volume.

• • • Ward Baking directors have sent to stockholders of the company a strong protest against invasion of their property by Gold Dust interests. The directors say they are unanimously of opinion that the change of control proposed would be disastrous to Ward Baking and to the rank and file of stockholders. An editorial note on another page discusses this matter.

• • • Sears Roebuck sales in the four weeks ended September 10 were 14.1 per cent less than in the same period a year ago. The falling off since January 2 was 6.5 per cent.

• • • The proposed Jewel Tea-Van Camp merger has been abandoned at the instance of Jewel Tea. The reason given is that Van Camp stockholders seemed to hold back in spite of their president's statement that the company was greatly in need of the extra capital the consolidation would have provided.

• • • On the other hand, it transpires that the Colgate-Palmolive-Peet Company is acquiring the \$5,500,000 assets of Kirkman & Son, manufacturers of soap products.

• • • Significant of current trends are some of the subjects chosen for the Boston Conference on Retail Distribution to be held at the end of this month: Costs of Distribution, Advertising and the Consumer, Newer Aspects in Chain Store Distribution, Mergers and Consolidations.

• • • Increased freight rates to take effect November 1 in territory east of the Mississippi and in combination rates affecting western points will cost the National Retail Dry Goods Association \$4,000,000 a year, according to an estimate made by Leonard F. Mongeon, manager of traffic.

# Price Policies that Insure Profits

The first of three articles on this company's sales policies.

**S**CIENTIFIC and equitable pricing, the creation of non-competitive products, and specializing in the merchandising of about

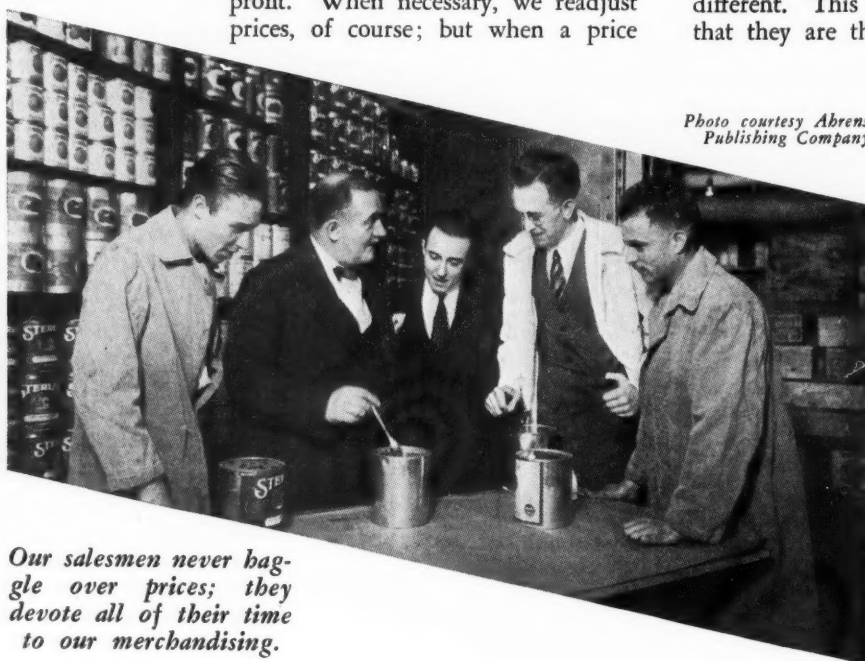
forty groups of more than 750 items are the basic methods responsible for the steady growth of the business of S. Gumpert Company, Inc., Brooklyn. In the thirty-eight years of its history this company has built up an annual volume of more than \$3,500,000 on a wide range of food specialties sold largely to hotels, restaurants, institutions, bakers and soda fountains. It started with practically nothing, has paid a profit every year of its existence, and its management is distinguished for its unusual point of view in solving distribution problems.

Not long ago, in discussing the causes of the present demoralized condition of general distribution, Daniel W. Janover, secretary and treasurer of the company, in charge of sales, held that the absence or violation of sound price policies is responsible for most of the trouble. He analyzed several of the most serious problems facing many manufacturers, and in each instance traced contributing practices back to the original cause of price.

"The fact that my company has no trouble with its distribution," he said, "is largely due to our methods of pricing our goods and our invariable price policy. Every season we add new items to our line, and these are priced according to a simple, scientific formula. We establish our cost, based on an estimated first year's volume, add the proper percentage for over-

BY  
JAMES TRUE

head, and then include a moderate profit. When necessary, we readjust prices, of course; but when a price



*Our salesmen never haggle over prices; they devote all of their time to our merchandising.*

price and quality, we withdraw it.

"When I make these statements to other manufacturers, they frequently remark that we can operate on our price policy because our business is different. This mean, in my opinion, that they are thinking of their business

mainly as an effort of procuring orders, rather than in terms of good merchandising.

"It is true that our products must be processed by our customers before they are finally resold or served as finished foods, and we sell direct to hotels, restaurants, bakers and other retailers. However, in selling direct, we are merely conducting the function of the wholesaler. Under other conditions, if it were more economical for us to

employ wholesale distributors for all our products, it would make no difference whatever in our price policy. It is not a question of who performs the functions of distribution, as long as they are properly performed, and I cannot believe that profitable and stable distribution can be conducted on anything but an equitable price basis.

"Furthermore, a good business principle is applicable to any business, or it would not be a principle. It is amazing to us how price dominates the selling of so many lines. I am satisfied that the sale of quality merchandise of all kinds would greatly increase if the salesmen of the lines could devote all of their time to selling rather than to discussing prices and refuting charges of concessions and special discounts. Nothing creates suspicion quicker than granting concessions, and suspicion is the greatest handicap to profitable selling.

is made it is offered to every customer and prospect at the same time. Our price policy is fixed, and every customer we have accepts our quotations as final.

"In pricing we also ignore all competitive products. Usually our prices are higher, and we have the reputation of being the highest-priced house in our industry. But at the same time we are known as manufacturers of goods of the highest possible quality. And if a product did not move at the price we determined, we would conclude that it was not up to our standard of quality or that our salesmen did not have the ability to sell it. But before we would reduce the price we would eliminate it from the line. We sell nothing on which we do not make a fair profit, and we have no 'leaders,' no price 'specials.' We never reduce the quality of a product to enable us to reduce the price. If it cannot be sold at our

*Photo courtesy Abrens Publishing Company*



The S. Gumpert Company, Inc., has been unusually successful in maintaining profits and in circumventing certain harassing distribution problems which are common to so many concerns in the food field. The sales policies which have enabled Gumpert to compete so successfully for business in the institutional field, in spite of the fact that their products are priced higher than those of their competitors, are outlined here.



Our salesmen never haggle over prices; they devote all of their time to our merchandising, using arguments to back up their products and showing they are worth what we ask for them."

To indicate the effectiveness of this policy, Mr. Janover mentioned several popular and widely distributed food products of competitive firms which are sold to hotels, restaurants and bakeries and which have been replaced by similar Gumpert goods at higher prices. In the case of one of these—a specialty nationally advertised for many years—the volume of the Gumpert product is very much larger in the field, even though the Gumpert product is more than 30 per cent higher in price.

Of course, the quality and characteristics of the goods have much to do with comparative sales. The Gumpert line has been built up largely by supplying a definite need, and by creating specialties which, in quality and individuality, are lifted above direct competition with other products.

"In building up our line," Mr. Janover explained, "we have never imitated an established specialty, and in this we have resisted the natural tendency. Every successful product, it seems, has a host of imitators, although few ever survive. Usually they are offered as 'something just as good' at a lower price, although the price belies the claim, and we consider them as parasites on good business."

"Regardless of how large a demand there may be for a specialty, if we cannot produce something better we leave the business to others. This is

one way in which we have kept our line on a non-competitive basis, and by the phrase I mean that our trade does not expect us to compete on a comparative price basis. We are proving every day that price is not the all-important factor that a great many manufacturers and distributors appear to think, and that other factors exert a much greater influence on sales when the right goods are merchandised properly.

#### Solve Customers' Problems

"Another way in which we have lifted our business above competition is through devising and introducing new goods. We continuously study the methods and processes of our customers. Whenever we discover a need or a potential demand, we set about to supply it. Our salesmen are trained to scout for new ideas. Our trade is educated to submit their problems to us, and an important feature of our business is extensive experimenting in our laboratory and kitchens with the desire to produce new items that will improve the business of our customers, such new items being made with the basic ingredients that we are at present selling such customers.

"There are many specialties in all groups of our line that have been created in this way. From our experience I am sure that almost any manufacturer who has not given the subject special study would be amazed to find the opportunities for new specialties in his line that can be discovered by a sincere attempt to solve the problems and improve the business of his customers. We have found such opportunities in the production of foun-

tain supplies, desserts for hotels and restaurants, and numerous specialties for bakers and ice cream manufacturers, besides hundreds of other products.

"As an example, some time ago we found that very few bakers and hotel kitchens were able to produce a first-class chocolate cake icing consistently. Varying temperatures, differences in materials from time to time and other conditions frequently made the outcome something of a gamble. The baker who was able to produce a high quality of the most popular cake icing was the exception.

"We put the problem up to our specialists. They worked for several months and produced a remarkably practicable prepared chocolate icing. It requires very simple processing, and with it anyone can produce a finished icing that is fine in flavor, attractive in color and one that will keep well. Its success was permanent because it was created, not to meet competition, but to supply a specific demand, and because it supplies the demand adequately, economically, and aids our customers in building up their business.

"Similarly, the majority of the items comprising our line were produced to meet specific needs for new or better products. Therefore, all of our selling is specialized. And it makes little difference of what a line consists, or how large it is, or how it is distributed. I do not believe it can be kept above price competition and out of the rut of competitive terms and concessions unless it is distributed by intelligent specializing."

There are 225 men on the Gumpert  
(Continued on page 448)

Here is a statement issued by the chairman of the board of the House of Kuppenheimer to all Kuppenheimer dealers. It is printed here in the belief that it may suggest a line of action for manufacturers in other fields, especially those producing quality goods, toward giving dealers the leadership many of them so sorely need in order to close 1930 with a creditable statement of earnings.

BY

B. J. CAHN

*Chairman of the Board, B. Kuppenheimer & Company, Inc., Chicago*



## The Hazards of

THE worst pitfall which retail merchants will have to avoid this fall is the decline in volume and the attendant loss of profits, caused by selling lower priced merchandise as a substitute for quality products. A definite sales volume is necessary to pay fixed operating expenses. With such fixed charges, a 15 or 20 per cent loss in volume, caused by selling lower priced goods, destroys any chance for possible profit.

Quality merchants who over a period of years have established a trade demanding better products must steer clear of handling lower priced articles, which cannot hope to give promise of increasing sales. Such a practice will be disastrous to profits and the future prosperity of your business.

The loss in volume occasioned by the loss in the price of unit sales is the greatest inroad in profits. Price resistance of customers is usually met with price appeals and one reduction sale follows the other, which results in a decline in volume even though unit sales are maintained. Loss of profit naturally ensues.

For example, a merchant has been selling 300 \$50 suits each season. He becomes a little frightened by talk of lower prices and reaches the conclusion in his own mind that perhaps 200 of these customers are willing to pay only \$40 this season. He promotes \$40 suits instead of his regular \$50 feature. As a result, his unit sales are maintained, but his volume in that particular item declines perhaps 20 per cent.

The unfortunate part of it is that the merchant fails to consider that his entire profit reposes in such 20 per cent. How can he possibly compensate for such a loss? Under the circumstances he is bound to lose in

profit for the season. This is happening right under our eyes every day.

No merchant can afford to tolerate such reductions in volume. That is self-evident. He must keep up both his unit sales and maintain his volume.

Now, with the attention of the consumer directed to lower prices by the constant effort to move surplus or distress goods, which is harmful to all business, it is obvious that it will take greater effort than ever before to maintain standard prices based on actual cost of production and to distribute quality clothing at the established prices.

First, the merchant must plan just what form this added effort will take. He must concentrate on the class of men who are able to pay the prices for which quality clothes are sold. Greater selling force must be used on the sales floor. Talk to every customer and convince him that the most sensible purchase is a quality suit.

In too many instances the customer who can afford to wear a \$50 or \$60 suit buys a suit at a price. Why is this? The salesman fails to carry through; he follows the path of least resistance and shows cheaper garments because he believes the buying tendency is in that direction. In this way many patrons buy price when they could well afford and would be far happier to buy quality.

E. C. Simmons recently said, "When a person buys a cheap article, he feels good when he pays for it and disgusted every time he uses it. When he buys a good article, he feels better every time he uses it, for recollection of quality remains long after price is forgotten."

It is essential for every merchant to provide for his normal business requirements, to promote and display



Photos by  
Lazarnick

"Every merchant must bear in mind that to make concessions to his business standards at this time may jeopardize the confidence of his customers and endanger prosperity when normal conditions are resumed," says Mr. Cahn, who warns dealers of the loss that is sure to show if merchants attempt to maintain volume through cutting prices and concentrating on lower grades of merchandise.

# 'Trading Down'

his usual seasonal merchandise, which will enable him not only to hold up his unit sales and keep up his volume, but to satisfy his patrons as well.

Naturally, it will be necessary to feature price in a limited way. Make your appeal to the man who should pay only a moderate price for his suit, to the man who must have two pairs of trousers and to the man who must curtail his expenditures. But the individual merchant, after studying his market, must use his own good judgment as to just how far he should make use of a price appeal. It is of paramount importance that the quality store should adhere to those standards and policies which have been responsible for its past success and not to make changes simply because it seems expedient to do so.

Every merchant must bear in mind that to make concessions to his business standards at this time may jeopardize the confidence and respect of his customers and endanger the prosperity of his business when normal conditions are again resumed in the country.

The retailer should keep before him the undeniable fact that reduced prices which have prevailed during the last few months have resulted from the disposal of distress merchandise.

Surplus stock had to be moved, more force was put behind seasonal sales than is customary. However, much of the frantic talk about lower prices is misleading. The prices of standard merchandise have not been materially reduced, as the cost of production has not been lowered and there is little prospect of any considerable reduction. This is true of the clothing industry.

As soon as surplus stocks have been exhausted, both the merchants and the buying public will have to buy new

goods, based on their actual costs, and there is no basis for believing that these costs will be much lower. The decline in the cost of the raw commodity—wool—is slight, the negligible reductions made by leading mills on staples will not be effective until November and December, labor costs are remaining constant, not only in the clothing industry but in practically all others, decline in overhead is slight, and while there is a slight reduction in trimming costs, this represents less than 1 per cent of the total cost of a garment.

It is entirely impossible that there can be any appreciable reduction in clothing prices unless it is taken out of the product through the use of cheaper fabrics or cheaper construction.

Therefore, the merchant who studies the situation confronting us today is assured that in making his commitments he will not be subjected to a loss on merchandise he has purchased for this fall, because he is buying at the present market price levels and there is no indication that there will be any material change for some time to come.

The merchant who avoids panicky reasoning, who has patience, who views the facts courageously, who shows well assorted stocks of new merchandise, who sponsors quality and style, will contribute his share toward overcoming present obstacles and by so doing he will have built his house upon a foundation of rock—stronger than his brother who shouts price.

Louis H. Sullivan has become manager of distributors' relations of the Lyric Radio Company, North Tonawanda, New York. For the last two years he has been manager of the furniture division of Atwater Kent Manufacturing Company, Philadelphia.

*One portion of the clothing market responds to a price appeal, but that same appeal may easily prove a boomerang in the hands of the quality merchant, Mr. Cahn points out.*



# AutoStrop Holds Unique Advantage in \$64,000,000 Gillette Merger

BY LAWRENCE M. HUGHES

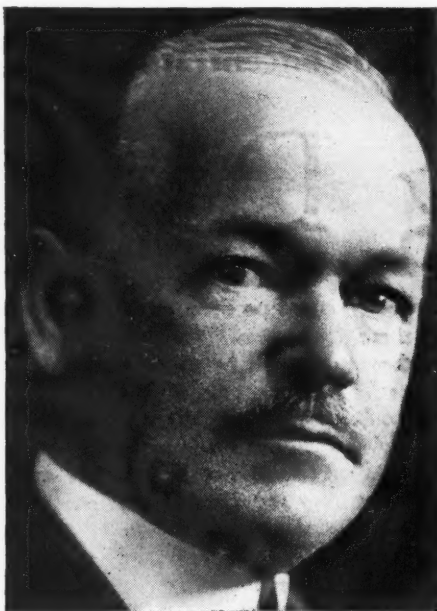
**L**ARGELY as a result of remarkable merchandising aggressiveness a "small" company may soon go into a merger on about equal terms with one about nine times its size. The "little" company is AutoStrop Safety Razor; the "big" one, Gillette.

Although both sell razors and blades throughout the world, AutoStrop has long ranked third in the industry, with Gillette—the "original" safety razor company—first over both American Safety Razor Company and AutoStrop by a wide margin. Until now American has ranked second. At the end of last year AutoStrop's assets were only \$6,385,322, as against Gillette's \$57,115,796. Within the last half year, however, several important happenings have changed the sales and earnings positions of these leaders to such an extent that Gillette's size is no longer a principal factor.

## Gillette Income Drops

Despite a \$7,500,000 advertising program in this country, launched by Gillette on its new razor and blade early last March, its net income for the first six months of this year fell from \$8,407,518 to \$4,806,370, a decline of nearly 50 per cent. At the same time, AutoStrop's profit went up 95 per cent, from \$370,655 to \$722,808. American's earnings were slightly larger than for the first half of 1929—\$702,990 as against \$690,923. Although AutoStrop's sales and earnings are still smaller than Gillette's, it has more than held its own in the face of the fiercest competition in the history of the industry.

AutoStrop concentrates wholly on safety razors and blades, whereas both Gillette and American sell a variety of other products—Gillette's line including surgeon's knives, carpet wires, textile edges and other specialties, and American's shaving cream and brushes. AutoStrop's expansion is, therefore, more significant in the safety razor industry than comparative total sales and earnings figures would indicate. For the first time in its history, it is said to be producing nearly 3,000,000 razor blades a day. These



*Frank J. Fahey who is now the active head of Gillette.*

gains of AutoStrop were achieved without appreciable increases in overhead.

AutoStrop also is going ahead aggressively with its \$2,000,000 advertising program, and the company expects its earnings for the entire year to be at least 100 per cent larger than 1929.

This is one of the factors which will enable AutoStrop very largely to get its own terms when the merger with Gillette is consummated.

This merger has been reported in financial and business circles for several weeks. Neither company has confirmed it. SALES MANAGEMENT learns, however, that it will probably go through.

And yet, in spite of AutoStrop's rise, after a quarter of a century of continuous sales plugging, to a position in the industry comparable with Gillette, it is doubtful whether a merger between the two companies would have been discussed if a recent patent situation had not brought Gillette into legal difficulties.

Almost simultaneously with the launching of Gillette's widely an-

nounced \$10,000,000 advertising campaign (\$7,500,000 U. S. A., \$2,500,000 abroad), AutoStrop announced its intention to sue Gillette, alleging plagiarism of patents on the new Probak blade. The new Gillette and the Probak are similar in function and in appearance. The Probak is covered by three patents. Gillette has no patents on its new blade. Originally, this new Gillette blade carried the line "patent pending," which later was changed to "T.M. (Trade Mark) Reg. U. S. Pat. Off." The new Gillette blade has not been patented, and probably will never be, and the publicity attending the AutoStrop suit has not been helpful to Gillette. A merger with AutoStrop, it may be assumed, was regarded by Gillette officials as a way out of a difficult situation. The suit is expected to come to trial at Wilmington this fall. Perhaps the merger will be announced before that time.

## Those in Control

When it comes, AutoStrop may be in a position to obtain exceptional terms in a \$64,000,000 corporation, which will be more dominant in its field, perhaps, than any large industrial enterprise in America. Dominant in AutoStrop is Henry J. Gaisman, chairman of the board. Gillette's control is said to be divided among several. King C. Gillette, founder of the company is still president, with Frank J. Fahey, vice-president and general manager, the active head. Mr. Gaisman has long been an important factor in the razor industry. He is also an inventor of note—having developed the Eastman Kodak's autographic device, as well as the AutoStrop and Probak safety razors. King C. Gillette, inventor of the original safety razor, twenty-eight years ago, has not been in control of the Gillette company since 1917 and is now virtually retired. His responsibilities have been assumed by Mr. Fahey. Nathan R. Maas, formerly sales manager, is now president of AutoStrop.

Two weeks before the great Gillette advertising program was inaugurated last spring, AutoStrop announced, in response to inquiries, that the company was in a "strong patent position" on its new Probak blade. On



April 30 AutoStrop formally filed suit against Gillette in the Federal Court at Wilmington, alleging infringements of patents. On May 28 Gillette filed its answer, in which it is alleged that Mr. Gaisman, to whom a reissue patent on the Probak blade was granted last January, was not the "original and first inventor of any material or substantial part of the safety razor and safety razor blade improvements patented, but the same was known and used by others in this country before his alleged invention or discovery thereof." The reissue patent also was "invalid and void," the Gillette answer declared, because "alleged improvements described and claimed therein do not constitute a patentable invention on the within meaning of the patent laws, in view of the state of the art and in view of what was common knowledge on the part of those skilled in the art, all prior to the date of Mr. Gaisman's alleged invention." Gillette has manufactured and sold doubled-edged blades, and razors for them, for many years. Until recently, AutoStrop has concentrated on the single-edged Valer AutoStrop line. The razors for the new double-edged Probak were introduced some time ago. AutoStrop, however, has not abandoned the single-edged line, but is pushing it as hard as before.

## AutoStrop Aggressive

It is believed that AutoStrop's chances of winning the suit are good. Not content, however, to rely merely on its chances of getting damages from Gillette, AutoStrop has gone aggressively forward with its own merchandising and advertising program. Gillette is still continuing its \$7,500,000 program while the Probak advertising has recently been increased.

Pushing the original single-edged Valet blades on about the same scale as before, AutoStrop has concentrated 90 per cent of its time and sales effort, and a large part of its advertising appropriation, on the Probak. An increased campaign started in July. Two hundred and eighty line insertions in some 700 newspapers were increased to more than 700. This was not only because sales justified the increase, but also because the new "shock absorbing" theme, developed by Charles Pritzker, advertising manager, required larger space. This program is the largest in the history of the company.

The campaign on the single-edged AutoStrop Valet razor and blade is running largely in magazines. With Probak, 75 per cent of the appropri-

tion is in newspapers and 25 per cent in magazines. About three-quarters of the company's \$2,000,000 appropriation for 1930 will be spent in the United States, although the sale of its products is world wide and factories are maintained in Toronto, Rio de Janeiro and London, as well as New York City and Newark.

Gillette's \$7,500,000 appropriation for this year represented an increase of 50 per cent over 1929. Large space in some 200 newspapers, forty mag-

*Gillette is spending \$10,000,000 on advertising this year — \$7,500,000 in this country and \$2,500,000 abroad— while AutoStrop has appropriated \$2,000,000 for this purpose, a large share of which is being used to push the new Probak blade.*

azines and other media were scheduled. A feature of the newspaper campaign was an offer by Batten, Barton, Durstine & Osborn, the Gillette agency, of extra space to newspapers which "cooperated" best in merchandising services and in getting local dealers to push Gillette products. Awards were won by the Atlanta *Constitution*, Hartford *Times* and Columbus *Dispatch*. Colgate-Palmolive-Peet, Inc., Chicago, is also pushing the Gillette razor in club offers with Colgate and Palmolive shaving cream.

The AutoStop advertising is now handled by Maxon, Inc., of Detroit and New York.

An indication of the Probak campaign's success is found in the large continued increase in sales and production of the AutoStrop company, and in the additions to its distributor and dealer organization. Including drug, tobacco, department and confectionery stores, there are about 200,000 outlets for razor blades in the country. Of this number, AutoStrop now

"They shall not pass"

**THE SHOCK ABSORBER**

# says PROBAK SHOCK-ABSORBER

**Blade**

... You will have customers ... up are sure to follow as a reminder to suggest New Gillette

**PROBABLY THE MOST COMFORTABLE SHAVE EVER MADE.**

FUDGE-DISTORTING shock and strain—deadly enemies of shaving comfort—can never gain Probak's superior double-edge shock absorber. Buttery channeling in dust-tempered steel—an amazing feature of this revolutionary new blade—dissipates the lead—disappears the stress. Macroscopic warping of the sharpened edges cannot occur when you capture the handling of your double edge razor.

Try the Probak and see what a vast difference this radically new principle makes. Learn how luxuriously it glides across your face—whisks off every hair. Super-keen edges cut 17% heavier mass each give you shaving comfort you've never dreamed possible—a face treat you'll never forget.

Buy a package of guaranteed Probaks and compare them with your present blades. Use two in your double-edge razor (old or new models). If you don't find them by far the best blades you ever used — return the package and your dealer will refund every cent you paid—\$1 for 10, 50c for 5.

Manufactured by  
**PROBARK CORPORATION**  
Division of  
ALCANTOP SAFETY RAZORS CO., INC., 205 First Avenue, New York City 36 N.Y.  
Airmo, Toronto, London, Paris, Milan, Rio de Janeiro

There Is Only One Probak Quality—The Best

# PROBAK BLADES

Patented by Alcantop  
Mfg. Co. N.Y.C. 36 N.Y.  
© 1955 Alcantop Corp.

sells about 95 per cent. (The United Cigar Stores are notable for their absence.) The bulk of its efforts is now being devoted to blades, because of their greater resale value over razors.

In considering the position of the two companies in the event of the merger, AutoStop officials emphasize that it is not a question of relative size. Patents and merchandising aggressiveness, including consumer and dealer good will, will also be considered.

In spite of its smaller assets, Auto-Strop is not likely to be the "underdog" in the combination because of the unique advantage it holds.

## Hanson to Supervise Fisk Rubber Sales

H. C. Hanson, manager of manufacturers' sales for the Fisk Rubber Company, Chicopee Falls, Massachusetts, has been appointed general sales manager to succeed Colonel C. M. Piper.

# The Private Brand Avalanche—How Manufacturers Can Meet It

The conclusion to an article\*

BY RALPH W. WILLIAMS

*President, Williams & Saylor, Inc.  
New York City*

In the first part of this article Mr. Williams outlined some of the reasons for the private brand development. Here he describes a number of specific methods being successfully used to combat it.

**D**ISCOURAGING as was the picture that I presented in the first part of this article on private versus manufacturers' brands, which appeared in the issue of September 13, it is by no means as unpromising as it may at first appear. There will always be a way open for the manufacturer to market his own trade-marked goods. He may have to create the way, but the opportunity is there for him to do so.

An increasing number of manufacturers will decide to build their own retail outlets. Many are already doing this. In some places these manufacturers will sell through their own stores, in other places through partially owned stores and in still other places through regular retailers. Several shoe manufacturers are following this plan. Essentially it is the distributing scheme used by Hart, Schaffner & Marx. This firm is said to have an interest of one sort or another in 400 clothing stores. The Knox Hat Company sells through its own stores and through regular dealers.

A manufacturer coming into the men's clothing business today, who wishes to exploit his own brand, is

virtually forced to build his own distributing facilities. He will find nearly every dealer tied up with private brands or with some other manufacturer. And, of course, many clothing manufacturers are doing their own distributing, largely through their own stores. A number of these concerns sell at a fixed price level—\$22.50 or some other amount. They can do this without trouble in their own stores. It is the ideal way to control distribution absolutely.

Still this method is open to relatively few manufacturers. Most companies would not find it practical to operate their own stores. A better plan for them is to espouse some system of controlled distribution. The gist of this plan is to restrict the number of retail distributors so that they will not be beset with unnecessary competition. This method of marketing is followed successfully by scores of manufacturers from W. A. Sheaffer Pen Company to Helena Rubinstein and back again from the Durant Candy Company to the General Motors Corporation.

The system is especially effective if there is more to it than a mere restriction in the number of distributors. Distributors must not only be given territorial protection, but also their wishes should be met at least part way in the matter of exclusive merchandise.

This is not a large concession to give a good dealer. After all, the special merchandise that the retailer

wants is only a small percentage of his stock. Most of the chains keep a few specials going all the time, but the total value of these specials is not supposed to exceed 10 per cent of a store's volume. Much of J. C. Penney's success is built on the constant featuring of four permanent specials. Of course, Penney stores give good values all the time, but all of the hollering is about those four big specials. The voluntary chains make capital out of weekly and monthly specials, but these extra values are but a small portion of the store's stock.

Even when a store offers its own private brands, in most cases the management is content if it has a few specialties thus trade-marked. Retailers want these special goods to give their stores individuality and to distinguish them from competing stores.

So much has been said and written in recent years on the subject of private brands versus manufacturers' brands that there has grown up in the minds of many manufacturers a needless anxiety as to the divergence of the interests of manufacturer and retailer where brands are concerned. Much of this anxiety might easily be allayed if merchandisers, both retail and manufacturing, would look more deeply into the subject and perceive that the building up of the brand or trade name of an article is an instrumentality of merchandising, not an end in itself. The essential thing is that manufacturer and retailer should discover a community of interests and work together to promote those common interests.

## The Retailer Viewpoint

Especially is it needful that the manufacturer should seek to view the whole problem of merchandising not simply from his own angle but from the point of view of the retailer as well. Let him place himself in the position of a retailer for a moment and he will see that the retailer must needs give his store individuality in the mind of his public, that he must create in the public a feeling that at his store better values may be secured or finer selections made. Some definite advantage must exist if the public is to come to his store rather than to his competitor's.

If the manufacturer will but realize this situation, he will desire to merchandise his own goods to enable his customer, the retailer, to extend to the public better values, exclusive merchandise, better and wider selection, etc. If he meets the retailer's necessities in such ways as this, it is safe to predict that he will have little difficulty (service and merchandise being

\* The first half of this article appeared September 13. Previous articles on the subject of private brands are to be found in the following issues: "The Private Brand—Bombshell or Dud?", August 9; "What We Have Learned about Fighting Private Brands," September 6.





¶ Kuppenheimer is one house that is demonstrating that when a manufacturer makes his brand mean profit and turnover to the retailer the retailer will himself cooperate.



¶ An increasing number of manufacturers will decide to build their own outlets as a means for combating private brands.



¶ If the manufacturer will cooperate with the retailer in furnishing some "prestige" goods which are exclusive the retailer will usually be willing to cooperate by featuring the standard brands in his "bread and butter" line.

good) in merchandising his products and his trade-mark through the retailer to the general public. Real (not faked) promotional assistance to the retailer is one means that some manufacturers have adopted in order to give their customers a reason for operating on their lines. Confined merchandise represents another type of cooperation—a sound method in some cases, and a dangerous method in many others. The opportunity to play the retailer's game and to benefit from doing it will be found, it is safe to say, in almost every line of manufacturing if the conditions surrounding the sale of a product are studied with sufficient thoroughness and courage in facing facts. It is being demonstrated over and over today that when a manufacturer makes his brand mean profit and turnover to the retailer, the retailer will himself cooperate.

### Bigelow-Sanford Method

The Bigelow-Sanford Carpet Company, Inc., is one important concern which has greatly profited in recent years by merchandising from the customers' point of view rather than simply from the mills' point of view. By working with its customers, developing with them ways and means of increasing the consumer market for Bigelow-Sanford rugs and carpets, by styling its merchandise to fit the needs of customers rather than merely the preference of the mill; by supplying sales helps,—sometimes general sales helps, often individualized sales helps worked out with and for the individual customer, but always sales helps that are practical, rather than fancied, means of helping the retailer to develop business on Bigelow-Sanford lines. Through these and similar methods, Bigelow-Sanford has very strongly entrenched its already strong position in the market. It has created for itself a reputation not only for high quality merchandise, but for sincerity and helpfulness in its dealings with its customers. These methods are typical of those employed by many companies recognizing that today the value of their trade-mark exists not only in the consumer good will which consumer advertising may bring, but also in dealer good will which co-operative selling can develop.

Recent studies have developed the fact that the floor covering departments of many stores succeed best with the following setup.

- 10 per cent "prestige" goods,
- 10 per cent "promotional" goods,
- 80 per cent "bread and butter" goods.

(Continued on page 451)



# The A B C's of Casting a Sales Research Questionnaire

**W**HEN a field survey has finally been decided upon, the questions to be asked become a bone of contention. A long questionnaire costs more than a short one and the results are not available as soon. A series of poorly constructed questions may bring responses neither easily analyzed nor thoroughly dependable. The construction of the questionnaire is, therefore, of the greatest importance and a few practical rules for its formulation will be given.

1. *Every question must be pertinent to the solution of the immediate problem.* Time is valuable to those questioned and the firm paying for the survey. Interviewers are likely to become discouraged if questionnaires are so long that it is difficult to obtain complete answers. Also, interviewers do poorer work and their morale is impaired when answers to certain questions appear meaningless or inapplicable. They reason that, if one question is unimportant, all of them may be unimportant.

2. *Every question must have only one clearly expressed idea.* If a question has two ideas one may remain unanswered. "Where do you buy canned soup? Why?" is a common type of double question. Two separate questions should be asked, "Where do you buy canned soup?" and "Why do you buy canned soup there?" Everything is to be gained by making the questions easy to answer.

Questions which are not clear bring vague answers; ambiguous questions cause inapplicable answers. "Assuming that price is not a consideration, what type of house would you prefer to own?" is a question violating all of these rules. The primer form of question is always preferable.

3. *Facts alone should be asked.* Consumers and dealers frequently express opinions in an unsatisfactory manner, although they can give facts without trouble. If it is essential to have opinions, ask several short questions which require factual answers.

\* This is the fifth of a series of articles on sales research by Mr. White. Other articles appeared in the issues of July 12 and 26, August 23 and September 6.

The whole success of a field survey depends upon an intelligently written questionnaire. Here Mr. White offers some simple rules which, if carefully observed, will make returns easy to analyze, will insure accurate answers and will cut the wastes so often entailed when questionnaires are put together on a hit and miss basis without being tested properly.

BY PERCIVAL WHITE \*

Do not ask, "What, in your opinion, has been the success of X product locally?" but have several short questions starting with "Do any of your friends use X product?", "Do your friends who use X product like it?", etc. The person's true opinion will thus be learned.

4. *Questions must not require mathematical calculations.* Except in cases where a percentage is 0 or 100, the person interviewed is more likely to make an error in calculating percentages than either the interviewer or the tabulator. Ask for data which will allow the percentage to be worked out later: "How often do you buy X brand of coffee?", "In what quantities do you buy X", "What amount of coffee do you sell each week?"

5. *Questions must not suggest their answers.* This is the problem of the "leading question." If the first question asked a housewife is, "Do you use X soap?", the whole interview will be tinged by the fact that the housewife knows that you are particularly interested in that brand. Ordinarily it is better to ask, "What brands of soap do you commonly use?" If X brand is not mentioned, it can easily be introduced into the conversation by saying, "I notice that you have not mentioned one or two popular brands. Have you ever tried X or Y soap?" Under unusual conditions, it may be desirable to ask what might be called a leading question. If information is desired from Ford owners alone, it will save time and money if the first question is, "Do you own a Ford?" A form such

as, "You have your nails manicured by a professional manicurist, don't you?", is, however, always unpardonable. Every question should give the person interviewed no clue to the desired answer.

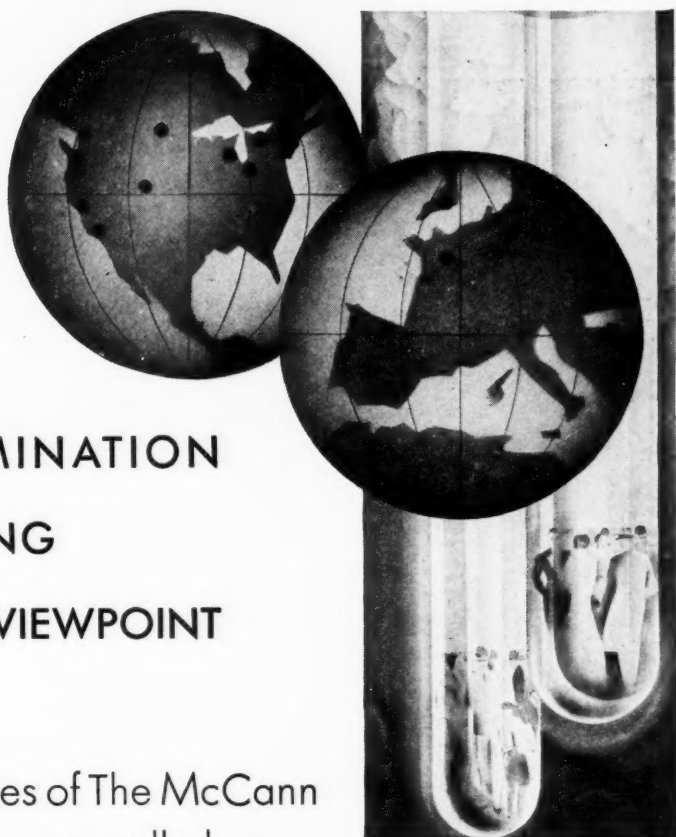
6. *Personal questions must be avoided.* A housewife will very seldom state the income of her husband. If she does, it is likely to be exaggerated. If a personal question is asked early in the interview, the call is likely to end abruptly. If necessary to ask personal questions, do so at the end of the interview.

7. *Impossible questions must not be asked.* "Where have you seen advertisements of Y?", "Were you influenced in buying an X vacuum cleaner by the advertising of the X company?" People cannot answer such questions satisfactorily. Advertisements are seen in media where they never appeared. Price may have been the thing that sold the X vacuum cleaner, yet the question focuses attention on advertising and the answers are undependable.

8. *All essential questions must be included.* If the fact which a question brings forth is essential, do not omit the question. The longer the questionnaire, the more difficult and expensive the survey, yet the results are unreliable unless all vital facts are ascertained. Ten questions may be too many for one survey and two hundred too few for another, but needless questions should never be included because their answers might be "interesting."

*Testing the questionnaire.* When  
(Continued on page 450)

# COPY TESTING



## THE ADVANCE EXAMINATION OF ADVERTISING FROM A WORLD-WIDE VIEWPOINT

Among the international activities of The McCann Company are those which are generally known as "copy testing." These include the advance trying out of advertising ideas, words, pictures, or other elements, to predetermine their probable sales power, prior to their world-wide use. In this work, all fourteen offices of the company, here and abroad, are closely meshed. • Such an activity is in line with the policy of The McCann Company, which regards an advertising agency as an adjunct to the sales department of the client. Its tools may be words, but its product is sales. • For those advertisers who are interested in the most advanced technique of copy testing and its various methods, the company has prepared a booklet on the subject which will be sent on request.

## THE H. K. McCANN COMPANY A D V E R T I S I N G

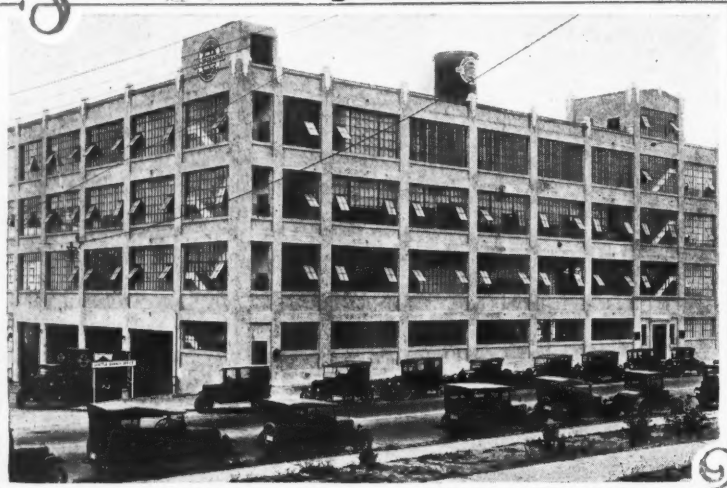
NEW YORK CHICAGO CLEVELAND SAN FRANCISCO LOS ANGELES SEATTLE DENVER  
MONTREAL TORONTO WINNIPEG VANCOUVER LONDON PARIS FRANKFORT a. M.

# NO DROUGHT IN WASH

**Big 1930 Crops in These Favored States  
Many Crops Greater Than 1929**



Loading a Refrigerator Car With "Skookum" Apples



Seattle Headquarters of the Washington Co-operative Egg and Poultry Association—This Association Maintains 24 Branch Stations throughout the State. Over 1500 Carloads of Eggs are Shipped Yearly from Western Washington Alone





**OVER 110,000 NET PAID**  
**83% UNDUPLICATED**  
 With Any Other Single Farm Paper  
 In Field Where Farm Buying Power  
 is 41% Above Nation's Average

**PACIFIC NORTHWEST FARM TRIO**

**COWLES PUBLICATIONS**

Advertise in the Spokane Dailies and the Farm Trio and Win

## Farm Output of Won, I

Estimates of U. S. Department of Agriculture  
1930 figures August

Crop	1930	1929
Apples ....	36,459,000 Bu.	32,100,000 Bu.
Pears .....	6,952,000 Bu.	5,209,000 Bu.
Onions ....	1,910,000 Bu.	1,305,000 Bu.
Beans .....	2,109,000 Bu.	2,116,000 Bu.

**A** GAIN in 1930 the Pacific Northwest comprising Washington, Idaho and Oregon stands out as one of the most favored and fortunate districts in the United States.

Even in normal years the buying power of farmers in this prosperous area averages 41% greater than the nation's farm average (U. S. Department of Agriculture summary 5-year period 1924-1928). This year the advantage of the Pacific Northwest farmer is even more marked.

Rainfall this year has been normal in Washington and Oregon where, moreover, 17% of all the farms are irrigated; while it has been close to normal in Idaho where 60% of all the farms are irrigated and thus dependent upon rainfall. This abundance of moisture in combination with the fertile soil and advantageous climate spells yields for some crops even greater than last year when the crops of the three states brought in \$41,265,000 in excess of the corresponding figure for 1928. Moreover, the Pacific Northwest production

## THE WASHINGTON FARMER THE IDAHO FARMER THE OREGON FARMER

These state weeklies deal accurately and comprehensively with the home state problems and interests of the farmers in their three states. They insure the advertiser an attentive hearing.

Thoroughly Cover Them  
ONE ORDER, ONE  
**THE PACIFIC NORTHWEST FARMER**

Reach 7 out of every 10 growers  
General Offices: Spokane, Washington  
Advertising Representatives: Associated Press



# SEASIDE, IDAHO, OREGON

## So Fortunate Condition Means Yield of and Buying Power Tremendous

### of Wash, Idaho, Oregon

es of U. of Agriculture.  
1930 figures August 12.

	1929	1930	1929
100,000 Bu. ....	35,897,000 Bu.	29,596,000 Bu.	
209,000 Bu. ....	87,700,000 Bu.	93,539,000 Bu.	
305,000 Bu. ....	46,911,000 Bu.	46,724,000 Bu.	
116,000 Tons ...	6,484,000 Tons	6,561,000 Tons	

ic North... butter in 1930 is running over  
aho and... ahead of last year; its production of  
most fa... is 8% ahead of either of the two pre-  
United S... years; while the output of eggs and  
ltry has also shown a substantial gain.

power o... all of this means that the farm market  
s 41% gr... Washington, Idaho and Oregon stands  
Depart... as one of the best markets in the en-  
l 1924-1... nation. It offers unusual opportunities  
c North... the sale of automobiles, trucks and  
... sories, farm implements, building materials,  
Washing... electrical merchandise, food, wearing apparel, soaps  
the farm... many other articles of merchandise.

and thus... Conditions this year emphasize the radical differ-  
e of mois... between the Pacific Northwest and other sec-  
dvantag... es. The climate is different; and so are the  
greater... es, crops and methods. That is why the farmers,  
ates bro... it growers and stock breeders of Washington,  
ng figur... ho and Oregon read and rely on their state  
producti... m weeklies—

### ASH FARMER

### E IDAHERMER

### OREGON FARMER

ccurately... out of every 10 farm house-  
the hom... in Washington, Idaho and Ore-  
s of the... their combined circulation of over  
They in... being 83% UNduplicated by  
ive hear... er single farm publication.

Cover Th... ed Farm Field With  
ER, ON... ONE MEDIUM  
NOR... EST FARM TRIO  
T... AMER THE OREGON FARMER

f every 10... growers in Their States  
Spokane, W... Seattle, Portland, Boise  
es: Associ... New York, Chicago, San Francisco

d Win... and Farm Market with Incomes Far above the Nation's Average



Above— Loading Peaches. The Pacific Northwest Ships  
1000 Cars of this Fruit Yearly.

Below— Produce Row, Yakima Wash. This Station has  
Shipped 7,810 Carloads of Apples Alone in One Year



Left ~ Sheep Being  
Fattened For  
Shipment From  
Hooper, Washington.



The Spokane Country—102,247  
urban families. The Spokesman-Re-  
view and Spokane Chronicle, circu-  
lation 95,000 (86% UNduplicated.)

## Sales Managers' Association

# NEWS

This department, devoted to association news, appears often in **SALES MANAGEMENT**. Believing that the various groups of sales executives will find the activities of clubs all over the country of considerable interest, club presidents are requested to send reports of meetings and other news to this magazine regularly.

### Summer Sessions Yield Valuable Information

The round-table discussions which occupied the Sales Managers Bureau of the St. Louis Chamber of Commerce during the summer months were attended consistently by those members seeking new ideas.

Among the subjects discussed and leaders of discussions were: "Salesmen's Call Reports—What Kind of Information Do You Request and What Do You Do with It?" Harry T. Bussman, vice-president, Bussman Manufacturing Company; "Methods of Helping Dealers Sell Your Merchandise," Sidney Carter, manager, merchant's service division, Rice Stix Dry Goods Company; "Using Samples in Opening New Accounts," R. R. Klauke, sales manager, Krey Packing Company, and "How to Create and Maintain the Salesmen's Enthusiasm," V. D. Sears.

### Toronto Asks Help in Forming Its Club

"A group of sales managers in Toronto are considering forming an association and we would be glad to receive any information you can furnish us on organization and general conduct," writes R. R. Sparling, Stauntons, Ltd.

We have already furnished Mr. Sparling information available about the constitution, purposes and activities of several clubs, among them the New York, Rochester and St. Louis Clubs, and should be glad to send on to him any helpful suggestions readers of this page might offer.

### St. Louis Club Takes to the Air

Thirty members of the Sales Managers Bureau of the St. Louis Chamber of Commerce took to the air during one of the hot spells this summer, thus killing two birds with one stone—keeping cool and at the same time touring three nearby towns, in

the first good will air tour from St. Louis.

Leaving St. Louis at seven in the morning, in nine planes, and returning at the same hour in the evening, club members were able to visit Decatur, Quincy and Springfield, Illinois, in only four traveling hours, covering 350 air miles.

Had the trip been made by any other means of transportation, it would have consumed ten traveling hours, it is calculated by A. G. Munegast, secretary of the club.

Joseph B. Kleinhauser was chairman of the tour committee and B. P. Owen was vice-chairman.

### Denver May Have Sales Managers' Club

Sales managers of Denver are making plans to organize a sales managers' club for that city this fall, according to a report from Tom J. Killian, sales manager, The Auto Equipment Company, who has recently acquired a list of prospects for club membership.

SALES MANAGEMENT congratulates Mr. Killian on his enterprise and hopes to publish many notices of future meetings.

### Columbus Club's New President Entertains

The executive committee of the Columbus Sales Managers' Club were guests at a luncheon yesterday given by their new president, A. W. Neally, director of sales, Columbus Show Case Company. Plans were laid for the winter's activities at the luncheon. Frank Hughes is manager of the club.

### Burdick Throws Us a Bouquet

"We believe that your department for sales managers' organizations is meeting with favorable comment. Many of our members who take your magazine are very pleased with this section," writes William A. Burdick, secretary of the Rochester Sales Managers Club.

### Finneran Opens Fall Meetings at Rochester

Emmet J. Finneran, director of sales and advertising, National Dairy Products Corporation, New York, opened the Fall meetings of the Rochester Sales Managers Club yesterday, with an address on "Changing Conditions in Advertising and Selling."

The fall program, according to Wyllis A. Bellinger, president of the club, has been completed and speakers appointed through December.

Baltus Rolfs, vice-president, Amity Leather Company, West Bend, Wisconsin, will speak on "Building a Sales Program" at the next meeting October 3. Other speakers and their subjects are: Walter M. Sackett, sales manager, Earle Lithograph Company, on "Where Is Business?," October 17; Dan Steibel, Remington Rand Business Service, Buffalo, on "Building Tomorrow's Business Today," October 31; Charles L. Cadle, general manager, Rochester Gas & Electric Company, on "Every Employee a Salesman," November 14; Frank Granger, sales manager, Crandall Packing Company, presiding over a discussion meeting November 28; and Raymond N. Ball, president, Lincoln Alliance Bank & Trust Company, on "A Banker's Yardstick of Business," December 12.

The summer discussions of the club, for which we suggested subjects, terminated the first week in September with a round-table on "Breaking Down Retail and Consumer Resistance." Among the speakers were Benjamin Woodbury, Stromberg-Carlson Manufacturing Company; W. R. Tuttle, Kurlash Company; Ralph Whitford, Re Qua Electric Company and Carl L. Hartmann, C. L. Hartmann Corporation.

"Selling Quality Merchandise in a Price Market" was another timely subject which was discussed at one of the summer meetings.

Members were urged to keep a desk card handy to remind them to attend meetings.

# Still the Same Story!

Again these shrewd space-buyers★  
favor The CALL-BULLETIN  
over all other San Francisco  
newspapers . . . .

## DEPARTMENT STORE ADVERTISING 7 MONTHS—Jan 1st. to July 31st., 1930 . . . Media Records, Inc.

The CALL-BULLETIN (6-DAY) . . .	1,164,625
The News (6-DAY) . . . . .	851,974
The Examiner (7-DAY) . . . . .	554,601
The Chronicle (7-DAY) . . . . .	227,444

★ Department stores don't guess—they  
check the facts. They judge newspapers by  
cash-register performance. Month-after-  
month, year-after-year, they have awarded  
The San Francisco Call (now The CALL-  
BULLETIN) dominant leadership in lineage.

Advertisers may use  
**COLOR**  
in the Saturday Home  
Magazine of  
The CALL-BULLETIN

SAN FRANCISCO'S LEADING EVENING NEWSPAPER

# *The* CALL-BULLETIN

■ DOMINANT IN ITS FIELD ■

Represented In

NEW YORK by  
Herbert W. Moloney  
342 Madison Ave.

CHICAGO by  
John H. Lederer  
Hearst Bldg.

LOS ANGELES by  
Karl J. Shull  
Transportation Bldg.

DETROIT by  
R. M. Miller  
General Motors Bldg.



# White Feathers in the Bankers' Depression Policies

BY GILBERT T. HODGES\*

*President, Advertising Federation of America, and Member, Executive Board, New York Sun*

THE first Napoleon, who knew men and the springs that move their conduct, gave us a maxim which I venture to think has a peculiar application to the present condition in which our country finds itself today. This brilliant soldier, winner of many victories on the battlefield and many triumphs in his management of men and affairs, declared:

"There are two levers for moving men—*interest and fear.*"

One of these levers we have been using so unwisely that we have allowed that fear which started so senselessly last autumn to spread like a foul disease through every branch of American industry. The result is that our millions of people, forsaking that buoyant optimism which is the native characteristic of America, have given themselves up to gloom and depression; to a panicky prudence which is leading us to the edge of penury.

## New Economic Principle

There was a time in history when we hailed frugality as the noblest of our virtues; but now we have come to realize that it was not *saving* for the sake of *saving* that brought us to the point where we hold a commanding place in the world's markets; where our common laborers live better than did the Mogul princes of an older time; where education and luxury, swift travel, fine raiment, delectable food, and all the blessings that make life sweet have become part of the daily regime of the great majority of our people.

We abandoned the old habits of self-denial years ago, to establish what has turned out to be a new principle in economics—the wise policy of the employer in paying the highest wages that his traffic will bear, and the return of such wages to industry through the sound and liberal spending on the part of the employe. It was this new movement largely that brought us to the high peak of our prosperity and happiness, and it is this same principle which must be fostered, encouraged, and given a fresh

\* Excerpt from an address before the convention of the Financial Advertisers Association at Louisville, Kentucky, September 19, 1930.

impetus if we are soon to get back to the song of the moving wheels of industry.

It is only in a great crisis that one gets to know the real heart of man. Until such a crisis came in American business, the memory of which is still vivid in our minds, we had every reason to believe that the bankers of America believed with us, saw eye to eye with us, that advertising, so far from being—as the old idea was—an economic waste, was in very truth one of the most powerful and potent weapons in the hands of industry, in the erection of that great bulwark of insurance against disaster known as public confidence.

We thought the banker had been converted, especially when our carefully compiled statistics showed that he was using advertising to the extent of many millions of dollars a year to make known his own service to the people. We thought he had come to see that the business man who, by means of advertising, was building up a tower of good-will, was a man who had given hostages to fortune, and was a far better credit risk, with greater and more dependable security back of him, than the man so far behind the spirit of his time that he did not advertise—and therefore did not expand.

## Lost Faith in Crisis

Surely we may be pardoned if we were brought to doubt that the banker's conversion to the high utility of advertising was genuine and sincere, when we found that in the face of our recent crisis his faith wavered and fell away.

At the height of the financial storm wise counsel was offered to the bankers, urging them to advise their big business clients to make declaration to their hundreds of thousands of employes that they were in no danger of losing their jobs or having their wages cut. Proper advertising at that time would have advised the workers—who are the spenders and so the real

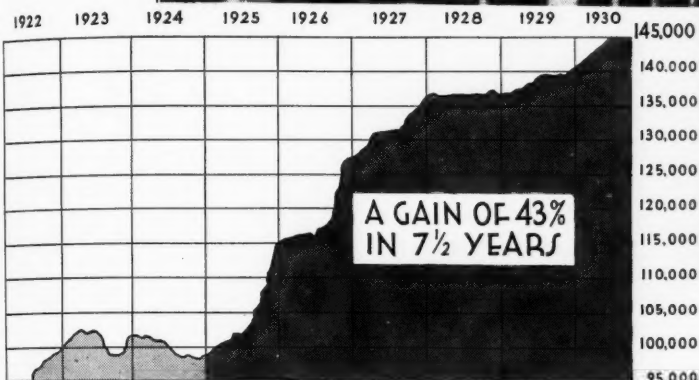
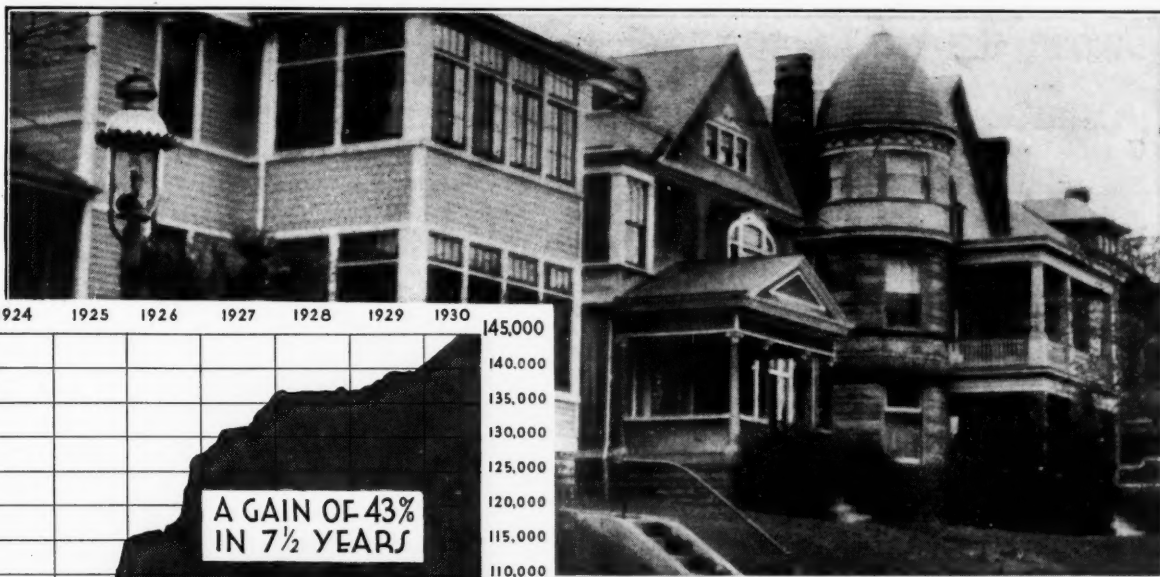
foundation of profitable production—to go right ahead living their normal lives; to keep on buying goods that would make their lives fuller and richer, just as they would have done had there been no October crash in securities.

But we found—we have the statement from the lips of bankers themselves—that instead of the road of progress, they preferred the road of conservatism; that instead of using the shining weapons of advertising in the cause of public confidence, they laid down their arms and asked for an armistice. Nor did they act thus for themselves alone, but, by their example, they influenced their clients to retrench, to cut down their overhead expenses, to shorten their production, to lessen their inventories, and to reduce their bank loans. In other words, instead of breasting bravely the threatening waves of an adversity that was born of *fear*, they sought shelter for themselves and bade their clients come under the lee until the storm should blow by.

## Discharged Best Salesman

I shall attempt to point out one of the most glaring inconsistencies of the banker during this period. When the alarm and consequent depression first began, he advised his clients, the business men of the country, to gird up their loins for a fight. He urged them, in the face of competition which every day would grow keener, to use more sales effort, to strive with might and main to keep the business they had, and to set their most energetic salesmen on the hunt for new business. And yet, because he knew that advertising costs money, he shut his eyes to the fact that here, ready-made, was the greatest sales force the business man could employ—a salesman whose voice would carry his message of hope to the farthest corners of the earth. Here he was—advertising, the master salesman—who, in an emergency seemingly acute, was eager

(Continued on page 449)



POST CIRCULATION—

1. City and Suburban.....143,448
2. In the O.K. Market.....162,222  
(Cincinnati Trading Area)
3. Total Circulation .....197,021

## The 62% You Want to Reach

The Cincinnati Post reaches the cream of the Cincinnati market. Its editorial content is directed to that group. And nowhere is it more true than in newspaper circulation that like attracts like.

Single-handed and alone The Post fought for the Charter form of Government that made Cincinnati a new city. And the Cincinnati Post saw elected six of the nine Charter candidates it supported in every Charter election. The percentage of circulation and the percentages of success are not far apart.

As soon as the Cincinnati Post began its lone eagle fight for clean government, circulation soared. The civic-minded part of Cincinnati who had been looking

for such leadership, flocked to its standard.

Circulation of the Cincinnati Post has been growing ever since . . . 43 per cent city and suburban increase in the last seven and one-half years. Today 62 per cent of the families in Metropolitan Cincinnati read the Post.

You want to reach this progressive part of the Cincinnati Market. You can reach it best through the Cincinnati Post.

Post city and suburban circulation gained 43 per cent in seven and one-half years. Here are typical Post homes. In six out of these eight homes pictured, the Post is read every day.

## The Cincinnati Post

A Scripps • Howard Newspaper

NATIONAL ADVERTISING  
DEPARTMENT OF  
SCRIPPS-HOWARD  
NEWSPAPERS  
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED  
PRESS . . . OF THE AUDIT  
BUREAU OF CIRCULATIONS  
and of  
MEDIA RECORDS, INC.

CHICAGO • SAN FRANCISCO • LOS ANGELES • DALLAS • DETROIT • PHILADELPHIA • BUFFALO • ATLANTA



## Camel Holds Cigarette Leadership Despite Lucky's Forward Progress

Refusing to acknowledge Lucky Strike's "leadership" in the low-priced cigarette field, Camel is pushing aggressively forward. A nation-wide analysis of retail sales figures by SALES MANAGEMENT for the seven months ending July 31 shows that Camel is now doing 40.5 per cent of the total of the "big four" and Lucky Strike 33.2. These figures represent increases, respectively, of about 1.3 and 2 per cent over those published in this magazine last December for the first ten months of 1929. Chesterfield and Old Gold have both dropped. Standings of these four for the first seven months of this year were Camel 40.5, Lucky 33.2, Chesterfield 10.4 and Old Gold 7.8. In the previous survey, they were Camel 39.2, Lucky 31.2, Chesterfield 20.9 and Old Gold 8.7.

Cigarette production in the United States for 1930 has been estimated at 127,000,000,000 units. Of this total, the "big four" will probably produce about 87 per cent, or 110,140,000,000, with Camel alone doing about 44,606,700,000 of this amount. Lucky's total would be 36,566,480,000, Chesterfield's 20,265,760,000 and Old Gold's 8,590,920,000. Although apparently Lucky Strike continues to be the largest advertiser among the "big four" and expects its sales this year to exceed \$200,000,000 (SALES MANAGEMENT, July 26, 1930), Camel, Chesterfield and Old Gold are pushing forward aggressively with their campaigns. One example of Camel's activity is found in the August window display tabulations in this magazine this week which shows that of the forty-four large cities covered, Camel windows are being run in forty-three, as compared with thirty-eight for Old Gold, thirty-six for Chesterfield and twenty-seven for Lucky Strike.

Each of the four leaders has changed its copy recently—Lucky Strike inaugurating this week a campaign on ultra-violet ray treatment of its tobacco. Returning to the use of testimonials, a number of prominent people are endorsing the idea—among them General Samuel McRoberts, chairman of the board of the Chatham Phenix National Bank & Trust Company, and Samuel Harden Church, president of the Carnegie Institute.

Meanwhile, with manufacturers' prices stabilized at \$6.40 a thousand, the members of the "big four"—R. J.

Reynolds, American Tobacco, Liggett & Myers and P. Lorillard—are expecting a fairly prosperous year, and with the end of the price war between United Cigar Stores, A & P, and others the retailers also are more hopeful. United Cigars has stabilized these brands at thirteen cents a package. In certain quarters, however, the war still continues. R. H. Macy & Company, New York department store, was selling the four brands one day last week at seventy-nine cents a carton, only three cartons each of a different brand to a customer, or 7.9 cents a package, which meant an average loss to the store of about two cents a package.

The tobacco growers' position is bad. With an increase of 10,000,000 pounds in stocks of flue-cured tobacco held by dealers and manufacturers on July 1 as compared with the same date a year ago, the average price received by North Carolina growers last year was 18.3 cents a pound, seven cents below the 1920 level. Indications are that the 1930 average will go even lower.

The growers feel they have reason to complain of the profits of the four large companies, which between 1920 and 1929 rose from \$43,337,758 to \$85,742,910, with Reynolds and American Tobacco now accounting for considerably more than two-thirds of the four combined.

### Egleston and Froment, Steel Firms, Combine

Egleston Brothers & Company, Inc., iron and steel, Long Island City, New York, will merge soon with Froment & Company, New York City. Eugene McK. Froment, head of the latter company, will become a vice-president of Egleston. Egleston will retain its name and Albert J. Bragg will remain as president; J. F. Bragg, treasurer, and Ferdinand Cook, secretary.

### Heads U. S. Blower Sales

United States Blower & Heater Corporation, Minneapolis, has appointed C. T. McGrew sales manager. Mr. McGrew was formerly sales manager of the O. B. McClintock Company.

### A. B. P. to Meet Soon

The Associated Business Papers will hold its semi-annual meeting in New York the first week in November. The exact dates and place have not yet been determined.

### Chevrolet to Inaugurate 110-Station Broadcasts

Chevrolet Motor Company will start early in October a series of radio broadcasts from 110 to 120 stations throughout the country, R. K. White, advertising manager has announced. The program, to supplement the present newspaper, magazine and outdoor advertising, will present the personally narrated experiences of American war heroes—Captain E. V. Rickenbacker, "ace of American aces," acting as host. The series is intended to "further the general appreciation for those qualities of patriotism, heroism and self-sacrifice which go to make up the typical soldier."

### R. C. Hay Dies; Sales Professor and Author

Richard C. Hay, acting professor of marketing of the Amos Tuck School of Administration and Finance at Dartmouth College, former sales and research executive for several large American companies, and for the last two years an Associate Editor of SALES MANAGEMENT Magazine, was killed at Charlemont, Massachusetts, September 16, when an automobile driven by his father, Major-General W. H. Hay, skidded and overturned. Mr. Hay was en route from New York to Hanover, New Hampshire, at the time of the accident.

His first business experience was with the J. L. Hudson Company, Detroit department store. Later he became sales research manager of the National Aniline & Chemical Company, which he also served as director of advertising and manager of branches. He directed sales training for the American Radiator Company, and later was in charge of sales promotion and advertising. Subsequently Mr. Hay became director of sales and advertising for the May Oil Burner Corporation. As a writer Mr. Hay attained considerable prominence—his articles having appeared in a wide range of magazines. He was the author of "Sales Management Fundamentals," published by Harper & Brothers. For some time Mr. Hay served on the faculty of the Harvard School of Business Administration, and this fall was to have taken up his official duties at Dartmouth.

United States Daily has appointed Bryant, Griffith & Brunson, Inc., Walton Building, Atlanta, as its Southern representative.

CROWELL, CRANE, WILLIAMS & CO. Inc.  
Advertising Agency  
CHICAGO - NEW YORK - TORONTO  
MAGAZINE - NEWSPAPER - FARM PAPER  
BUSINESS PAPER - OUTDOOR - FOREIGN & DOMESTIC  
PHONE SUPERIOR 8704 - CABLE ADDRESS CROWELA  
919 NORTH MICHIGAN AVENUE  
CHICAGO

August 28, 1930

Janesville Gazette,  
Janesville, Wisconsin

Attention: Miss M. M. Mooney  
Dear Miss Mooney:

Thank you very much for your promptness in getting us the Brackle inventory. I hope the jobbers' inventory will follow as soon as possible.

We have found Janesville a very satisfactory test town, not only in the cooperation accorded us by the Gazette, but in the responsiveness of the population.

Why not suggest to your promotion department that they capitalize this feature with other agencies?

Sincerely yours,  
CROWELL, CRANE, WILLIAMS & CO., Inc.

Hugh McKay/med

JANESVILLE DAILY GAZETTE  
READ BY MORE THAN 65,000 PEOPLE EVERY EVENING  
OFFICE MEMO

Mr. Bliss:-

There isn't much to add to what Mr. McKay says except that the fine corn, hay and small grain crop, higher milk prices, steady employment and increased savings deposits mean that good fall business can be easily obtained in the Janesville Market Area.

Murphy

Route your salesmen into Janesville—support them with Gazette schedules.

# The Janesville Gazette

JANESVILLE, WIS.

H. H. BLISS, Publisher

THOS. G. MURPHY, Adv. Director

FREDERIC A. KIMBALL COMPANY, Inc., Representatives: Chicago New York Pittsburgh Philadelphia Detroit Milwaukee

## Sinclair to Promote Mobiline Oil after a "Hundred Million Years"

With the slogan, "Mellowed a Hundred Million Years," Sinclair Refining Company, New York, principal domestic marketing subsidiary of the Sinclair Consolidated Oil Corporation, will inaugurate next week its "largest and most comprehensive" advertising campaign in 150 newspapers east of the Rockies, five magazines and a nation-wide radio chain on its Mobiline, a Pennsylvania motor oil. Later the campaign will be broadened to include several other products.

The Mobiline campaign—the first strong drive the company has made on this product, which has been manufactured and sold in limited quantities since 1905—will cost \$500,000 and will run until the first of the year. At that time, an official of the company told this magazine, another campaign, at least equally as large, will start on Opaline, another Sinclair oil. The two campaigns combined, the company estimates, will cost considerably in excess of a million dollars. A drive on gasoline will start next summer.

The company has remodeled its refinery at Wellsville, New York, and has increased its output of Mobiline 1,000 per cent. The campaign will begin in rotogravure sections of newspapers Sunday, September 21, and in news sections four days later, the advertisements being illustrated by photographs of prehistoric monsters modeled from exhibits in museums of natural history. "While these extinct forms of life are recent when compared to the periods which gave petroleum to the world," it was explained, "they are used in the advertising to illustrate the almost inconceivable age of the Bradford-Allegheny crude, which is used in the manufacture of Mobiline."

"Controversy may be aroused by the claim that the Bradford-Allegheny crude is 100,000,000 years old. A generation ago there was considerable skepticism toward an estimate of 20,000,000 years as the total age of the earth, even though the estimate was made by an eminent scientist. In a pamphlet issued by the American Petroleum Institute a chart is reproduced through courtesy of the American Museum of Natural History which implies that a total of 72,000,000 years has elapsed since the beginning of the Azoic era. This chart placed the Devonian period, to which the Bradford-Allegheny crude is assigned,

as starting about 24,000,000 years ago and continued about 6,000,000 years. More recent estimates, based on study of the radio-activity of uranium and thorium, have indicated that the earth is at least a billion years old. On September 9 last Dr. Otto Hahn, director of Kaiser Wilhelm Institute of Chemical Research in Berlin, presented before the Congress of Natural Scientists at Koenigsburg a paper in which he estimated the total age of the earth to be three billion years, of which a billion years elapsed before the first crust was formed. On this basis the Devonian period would date back more than five hundred million years. In the light of the recent trend of scientific opinion, the Sinclair company regards the estimate of one hundred million years for the Bradford-Allegheny crude as highly conservative."

The newspaper insertions will run 800 lines every other week. Pages also are being taken in the *Saturday Evening Post*, *Literary Digest*, *Collier's*, *Liberty* and *Fortune*, one magazine advertisement being scheduled to appear each week.

The radio program will be broadcast over sixteen stations of the Columbia network beginning Monday, September 22, and will be heard on Monday and Friday evenings at 7:45 p. m., New York time. Three Broadway stars will be featured, Phil Baker, Shaw and Lee, who will be called "H-C," "Mobie" and "Opie," for Sinclair H-C gasoline, Mobiline and Opaline motor oils. Continuity for the comedians will be written by Mann Holiner.

The advertising campaign is directed by the Federal Advertising Agency, New York City.

*The prehistoric age has become the copy theme of the new \$500,000 advertising campaign on Sinclair Mobiline oil.*

### Schilling Press Makes Cotton Bond Paper

To aid in developing new uses as a means of eliminating overproduction of cotton, the Schilling Press, New York City, has developed a new cotton bond paper for letterheads, stationery, loose-leaf price sheets and other purposes.

William L. Schilling, president of the Schilling Press, Inc., suggests the inauguration of a cooperative advertising movement on the part of cotton mills to promote the new product. Schilling Press, Inc., is the printer of *SALES MANAGEMENT*.

### Charles E. Hughes, Jr., Joins New York Life

To the list of outstanding people in other fields than insurance who are members of the board of directors of New York Life Insurance Company was added, last week, Charles Evans Hughes, Jr., member of the law firm of Hughes, Schurman & Dwight, New York City, former solicitor general of the United States and son of Chief Justice Hughes.

The most prominent member of the company's directors is Calvin Coolidge. The advertising profession is represented by Frank Presbrey of the Frank Presbrey Company, New York agency.

**MELLOWED A HUNDRED MILLION YEARS**

Long, long ago in PENNSYLVANIA

MILLIONS of years ago in the Devonian Age—while the world rocked with earthquakes and mighty, scurried fish swam the sea—this Bradford-Allegheny crude was formed. District of the Pennsylvania field has most valuable crude oil.

Most crudes refined for motor oils today are millions of years younger than Bradford-Allegheny crude. A few are older. But among them all this Bradford-Allegheny crude was formed at a time when earth conditions were 100% favorable—an favorable that a hundred million years of blizzards and mellowing have brought this crude to the highest known point of lubricating quality.

That is why Sinclair has built at Wellsville, N. Y., the largest single refinery devoted exclusively to the manufacture of Pennsylvania grade motor oil. Here, under the artistic supervision of laboratory experts, Sinclair refines Bradford-Allegheny crude into Sinclair Mobiline.

Ask for Sinclair Mobiline today—use the grade recommended by Sinclair dealers according to the Sinclair Law of Lubrication. At drawing time notice how the good Mobiline comes out of your crankcase still rich and easy-pouring, while grade of petroleum for the last mile as well as the first!

Send us your name and address and a list of stores where you intend buying and we will send you road maps and the Sinclair Law of Lubrication booklet free. SINCLAIR REFINING CO., Inc., 45 Nassau St., New York, N. Y.

**SINCLAIR MOBILINE**

Pennsylvania MOTOR OIL

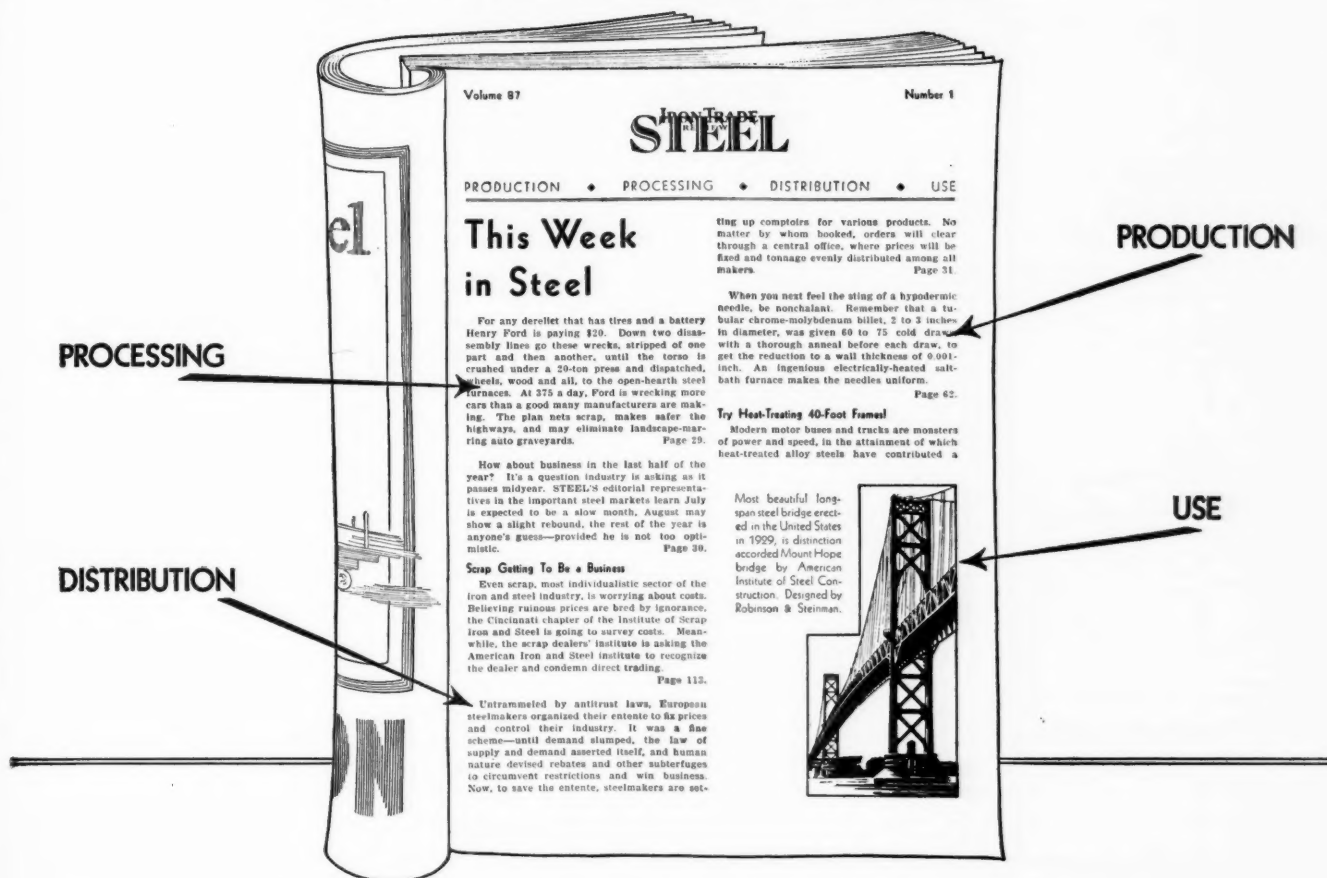
Made in the newest, largest single refinery using PENNSYLVANIA grade crude exclusively.

35¢ per quart



# "THIS WEEK IN STEEL"

Important News at a Glance



**T**HE digest called "This Week in Steel" enables the busy executive, who has a limited time at his disposal, to "high spot" the week. Then, it refers him to other pages where the information is treated in detail.

In addition to digesting the editorial contents in the first two editorial pages, the main editorial contents are presented from an interpretive standpoint. In this manner, various data are presented more effectively with the use of less words, thus making the publication more valuable and attractive to the reader.

These improvements in editorial functioning

and presentation enable readers to secure the desired information in less time than it required in Iron Trade Review, thus compensating for the additional time spent in reading advertisements. This permits the present intermingling of editorial and advertising pages without imposing on the reader's time.

The advertisement that is not seen is not read, and consequently is of no value to anyone . . . not even to the publisher because the advertising cannot be of long duration.

We would be pleased to present these new outstanding advertising values more in detail.



Old enough to know the great traditions of steel . . . young enough to lead the industry in a modern age.

# IRON TRADE REVIEW STEEL

Published Every Thursday

BRANCH OFFICES: NEW YORK • PITTSBURGH • CHICAGO • SAN FRANCISCO • LONDON

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A PENTON PUBLICATION  
CLEVELAND

## \$450,000-a-Year Drive to "Spotlight Pacific" to Be Launched Soon

Plans for raising a fund of \$450,000 a year for three years, to be spent in "Spotlighting the Pacific," were made at an organization meeting of the Pacific Travel Association at the Hotel St. Francis in San Francisco this week. David Whitcomb, Seattle hotel and real estate man, was elected president.

Two hundred and fifty thousand dollars yearly will be raised by American interests and \$200,000 by trans-Pacific countries. Of the American quota, the railroads will raise \$100,000; steamship lines, \$80,000; hotel associations, \$30,000; and miscellaneous interests, \$40,000.

A declaration of purpose mentions that "this organization is to promote travel to and on the Pacific Ocean; to present the lure of travel on the Pacific, and to stimulate and sustain interest in tourist travel to and from Far East countries through the terminal port cities of the United States Pacific Coast."

A management committee was formed under the chairmanship of John E. Ryan, of the Matson Navigation Company, San Francisco, to work out details for raising funds and for advertising. Media, advertising agency and other phases of the program have not yet been decided.

Among the interests represented at the meeting were Dollar Steamship Line, Southern Pacific Railroad, Los Angeles Times, Los Angeles Steamship Company, Matson Navigation Company, Western Pacific Railroad, the Ambassador Hotel, Los Angeles, and Union Pacific System.

## Augusta, Georgia, Plans a National Campaign

Awards of contracts on advertising and publicity to promote Augusta, Georgia, as a resort city were announced by the Chamber of Commerce there this week.

An extensive schedule of national advertising in newspapers of large cities and in quality magazines, under the direction of Eastman Scott & Company, advertising agency there, will feature Augusta's climate, hotel facilities, accessibility, and outdoor sports.

A publicity program will be in charge of Lockhart International, Inc., and highway interests in charge of Hamilton M. Wright of the Newspaper Syndicate Features, both of New York City.



J. C. Chick

## J. C. Chick Appointed Cadillac Sales Head

J. C. Chick has been appointed general manager of the Cadillac Motor Car Company, succeeding to the duties of Lynn McNaughton, vice-president, whose retirement was announced in this magazine last week. Mr. Chick has been connected with Chevrolet Motor Car Company, another division of General Motors Corporation, for a number of years, more recently as assistant general sales manager, in charge of the eastern half of the United States.

H. M. Stephens, formerly general sales manager, has been transferred to the staff of Richard H. Grant, vice-president in charge of sales of General Motors.

## Plaut Named to Direct Price-Cutting Survey

Edward Plaut, president of Lehn & Fink, Inc., which recently inaugurated a nation-wide advertising campaign protesting against indiscriminate price-cutting by retailers, has been appointed chairman of a committee named by W. J. Banham, president of the New York Board of Trade, to study price-cutting in New York City. "We are anxious to determine just how serious this problem is," Mr. Banham said, "how economically unsound or economically sound it is, just what moves the average retailer to slash prices indiscriminately, how the consumer fares in the matter, how many retailers are able to maintain fair retail prices with no disturbance of volume and whether or not price-cutting benefits or hurts trade in general."

## Kresge and Kress Ready to Fight Woolworth in Magazine Field

Starting in to combat F. W. Woolworth Company in distribution of magazines, S. S. Kresge Company and S. H. Kress & Company will introduce in their 800 stores next month *Modern Screen Magazine* and *Modern Love Magazine*, with a combined initial circulation of 525,000, and retailing at ten cents each. The Woolworth group includes *Home Magazine*, *Detective Magazine*, *Movie Magazine* and *Complete Love Story Magazine*.

The new publications will be sold under the joint name, "Modern Magazines," will be published by the Syndicate Publishing Company, New York, and sold exclusively in Kresge and Kress stores. The Syndicate Publishing Company is headed by George Delacourt. J. Fred Henry, for five years an executive of Sears, Roebuck & Company, Chicago, will be advertising manager, and George Woodard, Eastern, and Glenn Clarke, Western advertising managers. Mr. Woodard was formerly in charge of advertising for the Tower Publishing Company, which issues the four magazines sold by Woolworth.

At the outset the two new magazines will have a combined circulation about a third as large as the present circulation of the Tower four. They will be sold at the same price. Many of the products advertised will be sold in the Kresge and Kress stores, most of which are in the five cent to one dollar field. Other advertisers, however, also are being sought.

The Kresge and Kress stores are all in the United States—the 597 Kresges having a sales volume at the end of last year of \$156,456,732 and the 203 Kress \$68,474,993, making a combined sales volume for the two chains of \$224,931,725. Although the aggregate volume of the 1825 Woolworth stores last year was \$303,047,172, approximately \$85,000,000 of this amount was done in the other countries. The combined sales of the Kresge and Kress stores in the United States, therefore, are estimated at nearly \$10,000,000 more.

## Special Tokay Campaign

Growers of Tokay table grapes, of California, will launch soon a special advertising campaign in newspapers and radio. The campaign will cost \$18,000, to be provided for by a cent-a-package levy, and will be in addition to the regular program of the California Vineyardists' Association of which these growers are also members.

# Gossip

TOM A. GALLAGHER, for nine years city editor of the Associated Press, San Francisco, and for the last four years on the publicity staff of the Bank of Italy, has been appointed manager of the publicity department in San Francisco. WINFIELD BARKLEY has been made assistant publicity manager, at Los Angeles. . . . WILLIAM L. COLT, formerly president of the Colt Stewart Company, New York, has been named president and general manager of Dodge New York, Inc. . . . RALPH O. ELLSWORTH, at one time art director of the J. Walter Thompson Company, and for the last seven years free lance advertising counsel for various New York agencies, is now art director of the *Parents' Magazine*, New York. . . . FREEMAN DE WOLFE, for ten years in charge of space for Klau-Van Pietersom-Dunlap-Younggreen, Inc., Milwaukee, has joined the Dunham, Younggreen, Lesan Company, Chicago, in a similar capacity. He succeeds RAYMOND J. STALEY, now in charge of office management and research detail. . . . JOSEPH M. SCHREIBER is now director of sales and service for the Western Newspaper Union, Chicago and New York. . . . LLOYD M. CLARK, formerly advertising director of General Motors Export Company, has been appointed manager of the Norwood-Canton, Massachusetts, Airport, which is now being laid out by the Massachusetts Air Terminal and Arena. . . . FITZHUGH R. JOHNSTONE, at one time sales promotion manager of the Melba Manufacturing Company, Chicago, and more recently sales manager of the Marinello Company, has joined the staff of Harold D. Frazee & Company, Inc., New York agency, as account executive. . . . J. P. MULKERN, for eight years circulation promotion manager of the *Oil & Gas Journal*, is now on the staff of the Mills-Wolf Corporation, Tulsa agency. . . . PETER HAM has been appointed advertising manager of the *Breeder's Gazette*, Chicago. He was formerly with the *American Agriculturist*, and, more recently, with Griswold-Eshleman Company, Cleveland. . . . H. L. MINER, formerly with the Rusting Wood sales department, is now on the sales staff of the Dealer Advertising Corporation, New York. . . . J. K. WEBB has been appointed district sales agent for the State of Texas, for the Roller-Smith Company, of New York. . . . Cowan & Prindle, Inc., New York agency, has changed its name to H. J. Cowan Company, Inc. . . . HARVEY CONOVER, JR., publisher of *Mill & Factory Illustrated* and *Materials Handling and Distribution*, New York, is recuperating at the Murray Hill Sanitarium from an operation as a result of a war injury. He will probably return to his office in about a month. . . . ARNOLD S. BREAKEY, formerly vice-president of Conklin Mann, Inc., service director of Frank Seaman, Inc., and account manager of Lord & Thomas and Logan, is now vice-president of the Wales Advertising Company, Inc., New York. . . . FRANK E. VALLAN, formerly with N B C and Columbia systems, and HENRY W. WHITEHILL, advertising man, have formed Vallan-Whitehill, "broadcast advertising counselors," at Los Angeles.

## New England's Second Largest Market

The Providence Sunday Journal ranked fourth among American newspapers in local gravure advertising and seventh in total gravure advertising for the first six months of 1930. (Figures from Gravure Service Corp., New York.)

The newspapers showing larger totals are in cities from two to twenty times the size of Providence.

Circulation

86,912

Net Paid

The Providence Journal Company

Providence, R. I.

Representatives

CHAS. H. EDDY COMPANY

R. J. BIDWELL COMPANY

Boston New York Chicago

Los Angeles San Francisco Seattle





## Account Changes

LEHN & FINK PRODUCTS COMPANY, New York, Hinds Cleansing Cream, Hinds Texture Cream, and Hinds Toning Cleanser (three new products), to Cowan & Dengler, Inc., there.

CELLULOSE PRODUCTS, INC., Shamokin, Pennsylvania, to N. W. Ayer & Son, Inc., New York.

VADSCO SALES CORPORATION, New York City, Vivaudou products, toilet requisites, to Kling-Gibson Company, there.

HOLMES & EDWARDS division of the INTERNATIONAL SILVER COMPANY, Merident, Connecticut, to Ralph H. Jones Company, Hartford.

The A. M. C. (ASSOCIATED MERCHANDISING CORPORATION), New York City, group of twenty department stores including Abraham & Straus, J. L. Hudson Company, Joseph Horne Company, Filene's, Strawbridge & Clothier, and others, to the Lawrence Fertig Company, Inc., there. Newspapers featuring Barbara Lee dresses, men's shoes and men's clothing.

TWIN SHAKER CORPORATION, Milwaukee, manufacturer of silver and gold salt and pepper shakers (each unit handling both salt and pepper in different compartments), to Freeze-Vogel-Crawford, Inc., of that city. Class publications and direct mail.

TALCUM PUFF COMPANY, New York, talc and talcum powders, Far East advertising to Jordan Advertising Abroad, Inc., there.

GENERAL AMERICAN GROUP—General Insurance Company of America, First National Insurance Company of America, American Insurance Agency and General Casualty Company of America—Seattle, to Arnold-Morgan Advertising, Inc., there. Newspapers, direct mail and counter and window cards.

BATTERY EQUIPMENT & SUPPLY COMPANY, Chicago, Besco battery equipment, to Albert L. Lauer, Inc., there.

JOHNSONBURG RADIO CORPORATION, JRC tubes, to Redfield-Coupe, Inc., New York City. Newspapers, magazines and business papers.

BAILEY'S, INC., New York City, jewelers, to W. I. Tracy, Inc., there.

WILLAPA OYSTER FARMS, INC., Willapa Harbor, Washington, to Carl W. Art Advertising Agency, Seattle. Posters, demonstrators, automobile tire covers, and a motion picture, "The Romance of the Oyster."

AUGUSTA, GEORGIA, CHAMBER OF COMMERCE, a resort city, to Eastman Scott & Company, there. Newspapers in large cities and quality magazines.

YALE & TOWNE MANUFACTURING COMPANY, Stamford, Connecticut, Yale locks, builders' hardware, to Redfield-Coupe, Inc., New York City.

## The Christian Science Monitor



An index to the value of the Monitor is seen in the growing list of national advertisers who renew their contracts year after year.

Here is a partial list of products advertised in the Monitor for five or more years:

Canada Dry Ginger Ale  
Richfield Gasoline  
Buick  
Cadillac  
Ford  
Pequot Sheets  
Domino Sugar  
Monarch Foods  
Swift's Meats  
Pittsburgh Proof Paints  
Sherwin-Williams Paints  
Armand Toiletries  
Carbona  
Crosse & Blackwell

Published by  
THE CHRISTIAN SCIENCE  
PUBLISHING SOCIETY  
Boston, Mass., U. S. A.

TP-23a-9/30

We will gladly tell you how the Monitor's merchandising service has broadened the markets and increased the sales of these products . . . and how it can do a similar job for you.



## Editorials

**I**S A NEW ERA DAWNING? A radio manufacturer recently announced that hereafter old receiving sets traded in for new ones will be destroyed. The National Automobile Chamber of Commerce is urging dealers to adopt the Cleveland plan which marks all old cars for the scrap heap. Many household utensils like mechanical refrigerators may fall under the same rule. A somewhat similar practice of older days is recalled in the action of Andrew Carnegie in dismantling a steel rolling mill in good working order to make place for something newer and better, Henry Ford never hesitates to do the same thing, and the United States Steel Corporation is always on the lookout for obsolescence that calls for replacement. . . . The advantages to industry and trade are obvious. The second-hand article in the channels of trade is an obstruction to output and distribution and has long been a factor in oversupply. Gains from larger sales of new articles and of material salvaged from the dump are easily calculable. . . . The uncertain element is the consumer's reaction. Fashion has worked in favor of the new against the old. Will the accumulated benefits of speeding up supersession counteract the old liking for durability, and revolutionize ideas as to the essential properties of thrift? Upon the answer to this question depends much that may lead to a new era for the workings of the law of supply and demand.

**C**ONFLICT OF MASS ACTION: Important issues are raised by the differences between New York garment makers reinforced by wholesalers on the one side and group buying organizations on the other. The manufacturers have merely pledged themselves to make no showings of their products at group meetings. The purpose, of course, is to discourage dealings with group buyers with a view to protecting prices. The buyers meanwhile are waiting to see whether practical results will follow the action taken, but some of them are talking of looking to other markets for the merchandise they need. No actual break is likely. If the manufacturers and wholesalers mean business they can refuse concessions to concerted buyers. If they lack determination to stand up for their common interest there is little chance that resolutions will stiffen their backbone or check the propensity of individuals among them to sell goods as best they can. . . . The situation is an outgrowth, one among many, of the chain store development. The voluntary chain is another. In both cases the object is to put the independent dealers

on even terms with the chains as quantity buyers. As long as the chains can secure preferential discounts the independents will be driven to expedients such as those which the garment makers are now seeking to break down. The big change began with mass production to save costs of manufacture. The chains got their impetus from the related idea of mass sales to save costs of distribution. Cooperative buying is an incidental and inevitable sequel.

**M**ANAGEMENT AND OWNERSHIP: Rather unusual features distinguish the reported effort of the Gold Dust (George K. Morrow) group to secure control of Ward Baking. Here the contemplated negotiations paid not the slightest attention to the officers in charge of the baking company but sought direct communication with the stockholders. The directors appear to have known nothing about the proceedings save what they learned from the newspapers. As a result they are put in the peculiar position of having to appeal to the stockholders against a threatened invasion. Naturally in the circumstances they can find no merit in proposals concerning which they have no first-hand information. They disavow a dog-in-the-manger attitude but deprecate what they regard as an attempt to take advantage of the general state of affairs and the changes in the company's management incident to the death not long ago of the chairman of the board. . . . The incident, whatever the outcome, gives practical character to the question often asked about the actual standing of boards of management of large companies having widely distributed stock ownership. In relatively few instances do these managements rest on the solid foundation of proprietary control. All that is necessary usually is approval by a determined group of stockholders whose interest is often small in relation to the total. The rank and file of the stockholders are inclined to follow any resolute leadership, and, even when dissent is fairly widespread, lack means of giving effect to their feeling and judgment. . . . In soliciting support of the stockholders as a body the Ward Baking directors are pursuing the only course open to them in the circumstances. But in so doing they are raising a radical issue, namely, whether Big Business administration, like the administration of democratic countries, is to be subject to popular ratification. Business practice has been to submit to something like an autocracy rather than face the risk of changes of policy inherent to insecure tenure. The alternative is ownership as a prerequisite to control.





There are many reasons for wanting to know which are America's most popular radio programs. Voting in the Diamond Meritum Award contest, conducted by Radio Digest, closed September 20th.

The grand winner and the district winners will be announced shortly.

If you will write us on your business letterhead we will see that you are informed of the results.

## RADIO DIGEST

*America's modern magazine  
for radio homes*

420 Lexington Ave. New York City

# Price Policies that Insure Profits

(Continued from page 423)

sales force, and they are organized into five separate groups. Each group has its own direct management and sells only those items of the line which are handled by its class of trade. The five classifications are: hotels and restaurants; institutions; bakers; ice cream manufacturers, and distributors of soda fountain supplies.

The line is sharply drawn between these groups; each is under the guidance of a sales manager, and in addition is supervised by a sectional sales supervisor who spends all of his time in the field, and it is possible for five Gumpert salesmen to be in a town at the same time and be unknown to each other. Every man is trained, not only in the characteristics and uses of his goods, but also in the manufacturing processes and business methods of his class of trade.

## Customer's Viewpoint

In explaining the company's selling methods, Mr. Janover emphasized the importance of featuring every item in its relation to the interests of the customer. "Our toughest problem," he said, "is to induce all of our salesmen to work from this point of view at all times. Our customers buy our goods solely for the purpose of reselling them in a different form for profits. Therefore, our purpose must be to furnish materials that will aid the customer to produce more satisfactory and salable goods—goods that will sell in greater volume and at fair profits because of their invariable quality.

"It is very easy for a salesman to fall into the habit of selling his goods rather than the results the goods produce. But when he merely talks about his goods, he suggests comparisons and prices, and quality is a factor that must be demonstrated in the final product. It is only by proving the advantages of reselling more satisfactory finished goods that we can immediately justify the higher price that inevitably accompanies better quality. So we insist that our salesmen sell every item in our line from a point of view of the customer's interest.

"Perhaps I can best illustrate this method by telling how we introduced and are still selling our devil's food cake mixture. If we had merely offered it as a product of high quality and quoted the price, every buyer would have compared the price with that of competitive products immediately. At the outset we would have

had a price argument, with delay, requests for samples for trial, and our selling cost would have been materially increased.

"So we do not sell our cake mixture at all. Our salesmen sell every buyer on a cake made of the mixture. We make up sample cakes in our model bakery, which we use for training our men and for experimental and testing purposes, and every salesman is furnished with as many samples as he needs.

"In making a sale there is, at first, no discussion whatever of cake mixtures. Our salesman inquires as to the demand for devil's food cake, and then asks the prospect if he could sell a cake like the sample. In practically every case the prospect or customer says that he could sell a great many if the cake is as good as it looks and if the price is right. The salesman then cuts the cake and invites the buyer to eat a slice of it, calling his attention to the color, texture, flavor and other features.

## Quote Price Last

"Not an instance has been reported to me in which the buyer has not commented favorably on both the appearance and the high quality of the sample cake. When the salesman assures him that he can produce devil's food cakes as good and in any quantity to meet his demand, and asks him what he thinks he could retail the cakes for, he usually mentions a price a little higher than his regular price. But if the price mentioned is no higher, it still leaves a satisfactory margin of gross profit. And finally, after the salesman has estimated this profit, by figuring the cost including the price of the mixture, the sale is usually made. We never quote the price until we demonstrate that the product we are selling is an excellent and profitable business proposition for the customer.

"This method of selling, in introducing our devil's food cake mixture, produced sales at the rate of nearly 100 per cent on first calls. With necessary variations, we invariably apply this method in the distribution of the hundreds of items that make up our line. The principle on which it is based can be applied to the selling of almost everything, and it has been so effective with us that I wonder why it is not universally recognized.

"Incidentally, there are two other factors deserving mention as con-

tributors to whatever success we have attained, and their importance is frequently overlooked by manufacturers. The first is advertising. For many years we have advertised in the leading business papers in our five fields. Now we are advertising regularly in about forty magazines. We use many colored inserts and usually run them in series, and we take just as much pains with our trade advertising as we would with a campaign to the public costing millions of dollars.

"The second incidental factor is taking care of complaints. They are more frequent with products that require processing, because users will not always follow directions. When, for this reason, a product fails, it is natural for the user to blame the product, and we assume that he is right. We reply to his complaint that we are sending a representative to make an adjustment that will be satisfactory to him, and the salesman in charge of his account goes to see him as soon as possible, also assuming that the customer is right.

## Complaints Make Sales

"The salesman explains the necessity of determining the cause of the trouble. If our goods are not right we must know why. He then takes off his coat and goes into the hotel, restaurant, bakery or ice cream factory and makes up a batch of the dessert, ice cream, or cake, or whatever it was that went wrong. He is able to do this because he has been trained in the processing of every item he sells, and in about ninety-nine in every hundred cases of the kind the fault is found to be with the processing and not with the product. And in more than 95 per cent of all cases the customer is glad to know how to use the product properly, expresses appreciation for the demonstration, and becomes a better customer and friend than ever. So we have learned that even complaints can be used to make our merchandising more effective.

"Our merchandising methods may be summed up as a sales policy, selling methods and the creation of products to aid our customers in rendering a better service at more satisfactory and assured profits. We believe that the old methods of merely inducing customers to buy are obsolete and harmful to good business. For many years we have been building our business on a foundation of sound merchandising in the customers' interests, and because we have no distribution problems we are convinced that only in the same direction can a way be found to solve the many costly problems of the country's general distribution."

## White Feathers in the Bankers' Policies

(Continued from page 436)

and willing to serve his employer more efficiently than ever before; but because the banker was not in step with the new economics, this salesman was allowed to remain idle. Undue conservatism discharged for the time—and a most critical time it was—the best salesman the business man had at his command.

Advertising men are not reckless, or mere adventurers upon the high seas of business. As faithful members of the crew, willing to trim the sails and square the yards to varying winds, they had a right to feel a bit hurt when the captains of finance failed of that high courage which leadership demands. We know, of course, that the banker has not only his own, but other people's money to protect; that for the sake of the trusting depositor and stockholder it was his duty to guard against loss; that the safety of the funds entrusted to him was a sacred charge.

### Sympathetic Attitude

We also know that the record of the banker during this period of depression has been indeed wonderful, amounting in many instances to heroic sacrifices, where crippled concerns were nursed back to convalescence, which, but for the banker's loyalty to business in general and to his sympathetic attitude, would have been plunged into bankruptcy.

But we do believe that when he was offered what Napoleon called "two levers for moving men, *interest* and *fear*," he leaned on the lever of *fear* rather than that of *interest*. It was fear that led him to scan with an anxious eye his list of loans and to call for additional collateral. It was this very act, coupled with the same dread impulse behind it, that produced the psychological impression which induced his clients to start at once on an era of economy, to reduce inventories, to lay off employees, to stop buying raw material, to lessen production—in short, to draw in their horns.

Small wonder if, in face of such an attitude, alarm was born and grew and spread abroad until it reached every stratum of our social organism, and the buying strike—more far-reaching and more formidable than any strike of any body of working men—was on. It did not matter that there had been practically no real reduction in the buying power of our great nation, the buying strike was on. Almost overnight we were changed from a

MEMBER 100,000 GROUP OF AMERICAN CITIES

## A GOOD BAROMETER OF SALES!

This year AUTO and RADIO advertisers have planned advertising and sales programs with unusual care. Most of their space is going to papers which produce the most sales. Every advertising dollar must count.

Here is what's happening in Peoria—

	RADIO (linage)	AUTOMOTIVE (linage)
7 months 1930 Peoria J-T .....	156,778	498,540
7 months 1930 Second Paper .....	114,088	453,782
Peoria J-T lead over second paper...	42,690	44,758

## THE PEORIA JOURNAL-TRANSCRIPT

PEORIA, ILL.

Chas. H. Eddy Co., Nat'l Repr. :: Chicago, New York, Boston

Read in 4 Out of 5 Homes

**To** Sales and Advertising Executives who want accurate, down-to-the-minute information about

Daily Newspapers

Farm Papers

General Magazines

Business Papers

Foreign Language and

Radio Broadcast

Religious Publications

Advertising Rates

we recommend that you send for details of a plan which places this Service at your disposal for 30 days without obligation on your part.

**STANDARD RATE & DATA SERVICE**

*The National Authority*

536 LAKE SHORE DRIVE

**CHICAGO**



## IN NEXT WEEK'S ISSUE

*A sales story in pictures*



IN our insert in next week's issue of this magazine, notice the window display recently prepared for the Bayuk Cigar Co. It is a splendid example of a sales story pictorially told.

Effective window displays, hangers, posters and other collateral material is the unvarying rule with Color Advertising Headquarters. That is why we are privileged to serve hundreds of the most representative concerns, not occasionally, but regularly.

A talk with one of our representatives, located conveniently near you, may be the first step toward equally effective color advertising in your business.

THE UNITED STATES PRINTING  
AND LITHOGRAPH CO.

Cincinnati Baltimore Brooklyn

Service offices in 16 cities

## ADVERTISING MANAGER

Nationally known manufacturer located in the middle west is looking for an Advertising Manager.

The man they want is about 35 years of age—preferably a college graduate and married.

His duties will cover the complete operation of Sales Promotion and Advertising in both the National and Local field.

A recent photograph accompanied by a letter outlining complete business experience should be addressed to

Box 258, Sales Management

420 Lexington Avenue New York, N. Y.

people who spent money gladly that they might live well and enjoy life to the full to a penny-pinching people, led to believe that only by miserliness and misplaced thrift could they find a way to freedom.

I do not claim any authority to be dogmatic, but I do venture the assertion that when it was said to the American business man in thought and act: "Stop buying, stop expanding, stop advertising," and when the wage earner was admonished to stop spending and to save his money, the very charts by which our ship of business has sailed the fairest seas we have ever known were destroyed, and squarely in front of her bows were placed these jagged rocks which it will now take all our skill as business navigators to sail safely past.

... we must use advertising to dispel all apprehension that jobs or wages are in danger, and to release from the fetters of fear the great potential buying power of this nation, thereby assuring the quick return of prosperity.

The goods we have to advertise today are not all material goods that are manufactured and waiting on our shelves for sale. It is our job to sell right now a renewed faith in this country's wonderful destiny. By advertising we can stimulate courage and dispel that bugaboo, fear. We can teach people to spend so that they may live.

### Casting a Sales Research Questionnaire

(Continued from page 430)

a preliminary questionnaire has been drawn up, it should be tried out. Associates, stenographers, members of the family, or similar people will do for this first test. Revision will be found necessary—questions will be misunderstood or ambiguous, those which seemed important will be shown to be trivial, etc. When this revision is completed, have investigators make a number of interviews, and again revise. No more testing may be required but the questionnaire should never go out as a finished product until it has stood a good field test.

As a final test, it is again desirable to apply the eight rules already mentioned. For example, test the pertinency of each question by assuming that 75 per cent of the replies are "Yes" and 25 per cent "No." If such a tabulation (or its reverse) will be of assistance in solving the problem, leave the question in; if not, omit it. Another check may be a hypothetical

tabulation for all of the questions, to ascertain whether such data will furnish an answer to the problem.

*Organizing the questionnaire.* When the subject matter and general form of the questionnaire have been determined, there are certain rules, which, if followed, make responses better and easier to obtain. These are:

1. Simple questionnaires are better than complex ones.
2. Short questionnaires are better than long ones.
3. Brief answers are easier to get and are more dependable.
4. Where "Yes" and "No" are printed, include a "Don't know." It is as important to measure ignorance as knowledge.
5. Always have a space of ample size for comments, remarks, and opinions. The meat of the survey may be in such extra material.

### Allow Space for Notes

6. Always allow sufficient space for the desired information and for any necessary explanatory notes. If there is no convenient space, explanations are often omitted.

7. Important questions should come first while the prospect is fresh. If you want to obtain advertising appeals, begin with reasons for the purchase of the article.

8. Related questions should come together. If one question is used to check the answer to a preceding one, they may be separated, but this checking device should not be obvious.

9. A natural conversational order for the questions is best. A logical order is necessary.

10. Positive questions are better than negative ones.

11. If possible, be sure to give the person interviewed a reason why he should answer the questions.

12. The classification part of the questionnaire—locality, income group, occupation—must be complete.

In practice, some of these rules will be found to conflict with each other. They form, however, sound principles upon which to base your questionnaire. When the questions and their order have been determined, the more attractively they are reproduced, the better will be the results. Printing the questionnaire is usually well worth while, when any considerable number of interviews is to be made and when time permits. When the final questionnaires are ready, draw up a set of instructions which explain each question, how answers are to be entered, where comments are to be placed, etc. Then, and not until then, is the questionnaire really complete.

# The Private Brand Avalanche— How Manufacturers Can Meet It

(Continued from page 429)

By "prestige" goods is meant advance styles or special patterns the retailer can feature as exclusive, for the time being at least, because he has sought them out, frequently in foreign markets, or had them created for him in this country according to his own ideas. He uses this merchandise primarily to increase his prestige with the public and to individualize his store in his own community.

Retailers would gladly utilize more generally the services of American manufacturers for the creation of "prestige" merchandise, if they could find manufacturers who would work with them. Too often retailers are forced to go abroad for such merchandise or to work with unaccustomed sources of supply in this country because their regular sources of supply are not interested or not equipped to serve them in this phase of their business. When they do endeavor to cooperate with the retailers in this manner, American manufacturers frequently err in following too slavishly the retailers' ideas in getting up "prestige" goods. Progressive retailers will welcome initiative on the part of the producer in designing distinctive merchandise.

## "Promotional" Merchandise

By "promotional" merchandise is meant goods which a retailer secures for the purpose of special sales. This does not necessarily mean that it is "distress" merchandise or goods on which the retailer himself takes a loss through special price cuts. It is rather merchandise which the retailer feels that he can feature to his own advantage sometimes at a reduction in price, sometimes for the sake of extra value by which he attracts his public. Frequently it is merchandise that is made up on special orders and in such large quantities that both the manufacturer and the retailer will make a legitimate profit on it.

Neither does "promotional" merchandise have to be limited to one store. A manufacturer can offer it to a chain having stores in several cities or to a buying syndicate serving non-competing stores.

By "bread and butter" goods is meant the bulk of the retailer's carefully selected inventory of regular goods. It very often consists largely of manufacturers' brands. This is likely to be fast-selling merchandise

in everyday demand without which it is difficult for the merchant to do a profitable business. It is our experience that if the manufacturer will cooperate with the retailer in enabling the latter to give a special flavor to his department through operating on goods which fall into the "prestige" and "promotional" classifications, the retailer will in turn be glad to put his shoulder behind the manufacturers' branded lines which he regularly carries in his "bread and butter" stock. It has been our experience also that the retailer will give credit to the manufacturer and use his trademark on special merchandise, and that the manufacturer may usually insure this by cooperating closely with the retailer in special retail promotion.

## In Times of Depression

The potency of this policy of adapting the merchandising of a manufacturer's trade-marked product to the needs of the manufacturer's customers becomes strikingly evident in a period of business depression such as we have been experiencing. In such times the retailer, or other customer, comes to realize that what he needs is merchandise on which he can rely not only for its quality and for the public's recognition, but for the service which comes with it in the form of cooperation from the manufacturer.

For example, the Jersey Silk Mills, manufacturers of Truhu silks, have this year been doing much better than the average silk manufacturer. Good styling, shrewd buying, conservative management have all played their part in the success which has attended the Jersey Silk Mills' efforts during 1929-30, but as important as any of these factors has been the company's policy of working with its customers—helping to develop for its manufacturing customers a better market for ready-to-wear garments made of Truhu silks; helping the retail silk departments of the country to serve their customers better with Truhu silks. The result has been increased business on Truhu for the retailer and increased volume at profitable prices for Jersey Silk Mills, Inc.

Similarly, the Columbia Mills, large manufacturers of shade cloth and rollers, have been doing some profitable "back scratching." A year that seemed unpromising at the start has developed into a good year largely

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as a result of the company's policy of selecting from a large line of shade cloths a particular group which offered the best opportunity to the trade at this time. Special effort was then centered on these lines. The retailer was shown how he could make more money by concentrating on the several Columbia numbers. The common sense and unselfishness of the suggestions appealed to the retailer and he worked his head off to put the campaign over.

In all these instances the manufacturers' trade-marks have been regularly featured by the retailers—because it has been to the advantage of the retailer to feature them.

The whole problem is rather one of adapting the manufacturer's merchandising to the needs of the retailer. The retailer thinks of brands primarily in terms of his own sales and profits. If he can make money with your merchandise and on your brand, he will generally desire to buy your merchandise and feature your brand. But in order to feature your brand advantageously and properly, he needs your cooperation in so developing your lines that he can use them for furthering of his own prestige, strengthening of his own promotions and increasing of his own turnover and profit.

Take care of the retailer's merchandising needs and your trade-mark will take care of itself.

### Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930	Year 1929
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July 12 ... 91	July 13 ... 138
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The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

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